

CANAAN TRUST

England & Wales · Charity number 1105657

Details

Other names	THE ASPIRE TRUST
Status	Registered
Legal form	Charitable company
Company number	05169595
Registered	2004-08-27
Register	View on the Charity Commission register

Contact

Address	14 Main Street Long Eaton Nottingham NG10 1GR
Phone	01159464903
Email	office@canaan-trust.co.uk
Website	canaan-trust.co.uk

Activities

Objects: A) CHRISTIAN FAITH IN ACCORDANCE WITH THE STATEMENT OF FAITH AS SET OUT HEREINB) THE RELIEF OF POVERTY AND AGED PERSONSC) THE ADVANCEMENT OF EDUCATIOND) THE PROVISION OR ASSISTANCE IN THE PROVISION OF ANY OTHER FACILITIES DEEMED IN LAW TO BE EXCLUSIVELY CHARITABLE.

Activities: Provide safe, secure supported accommodation for homeless males aged 18 and over. The Trust, founded in 1995 is committed to inclusion & operates 24 hours a day, 365 days a year. The provision of accommodation is the visible tip of the comprehensive support service provided to those, regardless of gender, who are homeless, threatened with becoming homeless, or in need from across our communities.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, The Prevention Or Relief Of Poverty, Accommodation/housing
- **Who:** Children/young People, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** DERBYSHIRE
- Derbyshire
- Nottinghamshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-09-30	£574,658	£602,092	£1,667,308	20
2024-09-30	£1,435,645	£610,980	£1,694,742	12
2023-03-31	£353,138	£341,810	-	-
2022-03-31	£317,351	£298,482	-	-
2021-03-31	£364,234	£307,137	-	-
2020-03-31	£325,420	£301,184	-	-

Trustees

Name	Role	Appointed
Alison Stacey		2025-02-19
Helen Henshaw		2023-11-29
Susan Bradley		2023-11-29
TREVOR JONES		2015-11-04
Timothy Broad		2014-03-26
Trish Eaton		2023-11-29

CANAAN TRUST

England & Wales - Charity number 1105657

Accounts

CANAAN TRUST
(A Company Limited by Guarantee)
UNAUDITED REPORT AND
FINANCIAL STATEMENTS
for the Year Ended 30 September 2025

Charity Number 1105657
Company Number 05169595

Canaan Trust
(A Company Limited by Guarantee)

Report of the Trustees for the Year Ended 30 September 2025

The Trustees are pleased to present their annual Director's Report together with the financial statements of the charity for the year ended 30 September 2025 which are also prepared to meet the requirements for a Director's Report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Chairs' Report

This is our first Annual Report following being elected as Joint Chair of Canaan Trust in February 2025.

Being Chair of Canaan Trust is an honour and a challenging adventure. We are grateful to our fellow trustees for their faith in us stepping up to the job, and for their collective dedication to ensure sound governance for the Trust. We also extend a personal thank you to Kevin Curtis, Project Manager, for his unwavering passion to provide the best support to those who are homeless or at risk of homelessness, and for ensuring that we as trustees understand the day to day challenges and workings of the service.

This has been another busy year for Canaan Trust. Most notably it's been the 30th anniversary of the Trust and we have opened the newly refurbished Aspire House, to provide support and housing for homeless women in our community. We have embedded new sub-committees within our governance arrangements, implemented the restructuring of staffing and recruited new staff for our expanded operations. None of this has distracted from the ongoing work with residents and those in the community needing our support. As ever our staff have worked tirelessly to overcome the challenges they encounter during each working day.

Canaan is blessed with a dedicated team of staff and volunteers, whose passion for tackling homelessness and love for people holds strong every day and who will always go the extra mile where they see need, disadvantage or injustice. Quite simply, they are an inspiration to us.

As ever the Trust is enormously grateful for the backing of local businesses who give generously to support our work. We also recognise and give thanks to our small army of volunteers whose awesome reliability is truly humbling. Whether organising food parcels, moving furniture, rattling collection buckets or covering the Canaan Trust stall at local events we can always rely on someone turning up to help out. For Canaan Trust the year could not go by without a hardy band of volunteers braving a cool April night on the street at our annual Sleep Out. Thank you one and all, you are amazing!

Objects and Activities

The objectives of the charity are the relief of poverty, the advancement of education and the provision of a planned programme of high quality housing related services.

Canaan Trust
(A Company Limited by Guarantee)

Report of the Trustees for the Year Ended 30 September 2025 - Continued

Achievements and Performance

Aspire House

Canaan Trust has long supported women within the local community. In 2025, the Trust's vision to provide a home for homeless women finally became a reality.

On a warm summer's day, staff, volunteers and trustees past and present gathered together in the garden alongside local dignitaries to celebrate the opening of Aspire House. The house was formally opened by Elizabeth Fothergill, Lord Lieutenant of Derbyshire, on 12 July 2025 in the presence of Adam Thompson MP and representatives of Erewash Borough Council, Derbyshire County Council, Broxtowe Borough Council. Representatives of organisations and local businesses that had provided funds and other support for the project were also present. Thank you to all who attended our opening event.

Thank you to the businesses, trust funds and individual donors who made our vision a reality. Whether you have been a major player or a small donor, your contribution matters and homeless women are now being supported in Erewash because you stepped in where it matters.

Sub-Committees

Much less attention grabbing but hugely important to the smooth running of the organisation, is the embedding of the sub-committee structure as part of the governance of the charity.

As Canaan Trust has grown and become more complex so have the responsibilities of trustees. Last year we created sub-committees to lead on Finance, HR and Buildings & Maintenance. Each now feeds into and informs the work of the Trustee Board.

These sub-committees are largely made up of trustees with individual staff contributing their specific insight and expertise where needed. The development of sub-committees has brought trustees and staff into greater contact and has the benefit of increasing the understanding of governance, management and day to day operations across the organisation.

Fundraising

Alongside the work of our Project Manager and Fundraising Consultant, the Trust also has a fundraising committee to coordinate community fundraising events and activities. The group is made up of trustees, staff and volunteers who over the past year have continued to put on a range of events in the local community which act to raise awareness of the Trust's work as well as raise valuable funds to support the work. Events include a very successful Curry & Quiz night and a 30 year anniversary raffle, cake stalls and smaller scale events. The group is currently considering how we might target different audiences and age profiles for our future activity.

Staff restructure

The development of Aspire House has quite naturally led to a review of and changes to our staffing structure. The Trust now operates with Service Managers for the male and female services and a dedicated support staff alongside each Service Manager.

Recruitment has been a major feature during the year and we have welcomed new Support Workers to form the team in Aspire House.

As the year came to a close we were aware that we would soon be saying goodbye (but not) to Kate Bassford. Kate has served the Trust for many years as Assistant Manager and more recently leading the new staff team in Aspire House. We say 'but not' as Kate will continue as a volunteer on our fundraising committee and on our bank staff to provide cover when needed; such is her commitment to Canaan Trust. We say a huge thank you to Kate and wish her well in her 'retirement'.

Day to day / ongoing work

Throughout the year our team of staff and volunteers have worked ceaselessly to maintain business as usual in supporting both residents and non-residents. This work includes providing help and support with matters relating to housing and homelessness, insecure accommodation, benefits, debt and food poverty, including the provision of food, toiletries, hygiene packs, warm clothing, sleeping bags and furniture/white goods.

Canaan Trust
(A Company Limited by Guarantee)

Trustees' Report for the Year Ended 30 September 2025 - Continued

Public Benefit

Our charitable activities focus not just on the street homeless but also the “hidden homeless” who may be sofa surfing with friends and those threatened with homelessness for whatever reason. Those who are referred to us by local authorities often have a number of issues such as a history of alcohol/drug abuse, offending, learning difficulties, low self esteem. These issues are addressed by providing individual programmes of support, including counselling, and education on a wide range of life skills to equip the clients for independent living as well as support in dealing with external agencies.

Those in the community who arrive at our door often need short term help and advice to overcome a specific issue.

The Trust seeks to embed fair access, fair exit, diversity and inclusion within the culture and performance of its service. All equality and diversity policies and procedures are designed to proactively fulfil the requirements of the current legislation.

Equal access to our services is an important issue for us. We have a constant monitoring process to ensure entry to the project is not discriminatory by disability, religious belief or sexual orientation.

The trustees confirm that they have complied with their duties under section 17 of the 2011 Charities Act with regard to Public Benefit.

Financial Review

Please note that the comparative year ending 30 September 2024 was for an 18 month, extended period.

The attached financial statements show the current state of the finances. The company had incoming resources during the year of £574,658.

The company's revenue reserve unrestricted fund balance is a surplus of £1,627,893 at 30 September 2025 which is substantially held as property. The company's unrestricted surplus for the period totalled £312,523.

The principal funding sources of rental income from Housing Benefit, together with donations have been used to support the key objectives in achieving the performance as described above.

Investment Powers of Trust

To invest trust money in the purchase of or at interest on the security of such stocks funds shares securities or other investments or property of whatever nature and wherever situated as the Trustees in their absolute discretion think fit to the intent that the Trustees shall have the same full and unrestricted powers of investing and transposing investments as if they were beneficially entitled to the Trust Fund.

Grant Making Policy

At the discretion of the board of Trustees, they may from time to time make donations to other charities which have the same objectives as the Trust.

Fundraising Activities

A variety of activities take place to raise funds for the Charity. All of these funds are used for charitable purposes. The trustees are grateful for all help offered during the year on a voluntary basis.

Canaan Trust
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Trustees' Report for the Year Ended 30 September 2025 - Continued

Reserves Policy

As at 30 September 2025 the total funds of the Trust were £1,667,308 (2024: £1,694,742) a substantial amount of this being represented by fixed assets.

The Trust segregates its funds between those that are restricted and those that are unrestricted.

General funds represent the accumulated surplus on unrestricted income and expenditure and are available for use at the discretion of the Board in pursuing the general charitable objectives of the charity.

The Directors have adopted a reserves policy that unrestricted funds held in the general fund should cover 3 months running costs.

Designated funds are funds that have been set aside by the Board for a specific purpose.

In 2021/22 a designated fund was established for the expansion of the Canaan Trust for the future. The Directors have determined that this fund will be dedicated to the Aspire House Women's Project.

In 2022/23 a designated freehold property and fixed asset fund has been established that represents the net book value of the Trust's freehold property and fixed assets, less any outstanding debt secured against those assets. This fund has been separated from the general fund in recognition of the fact that the freehold property and fixed assets are used in the Trust's day-to-day work, and the fund value would not be easily realisable if needed to meet future liabilities.

As at 30 September 2025 the Trust has £179,420 held as unrestricted funds which are not designated. This complies with the Trusts policy to cover 3 months running costs.

Restricted funds represent income received where the donor or the nature of the appeal generating the income has imposed restrictions as to how the monies shall be used.

Future Plans

Funding and fundraising

We are acutely aware that expanding the Trust's services to operate and maintain three supported living properties, as well as ongoing work in the community, will require even greater charitable donations and grants going forward. We do not underestimate the size of this challenge.

Our trustees, senior management and fundraiser are working hard to ensure the Trust explores and utilises every opportunity to maximise our fundraising potential; such is our dedication to respond to homelessness on a local level.

We are very much aware that the Trust's reserves appear be significant. We are at pains to explain to funders that these reserves are largely held as capital within the buildings we own and use to house our residents; properties without which we could not provide our services.

Trustee recruitment

Our Board of Trustees is small with just six trustees. A priority for the coming year will be to recruit new people to join us in governing and steering the charity. We will be looking for people with skills and/or experience in areas such as:

- Finance, law, HR or governance
- Housing, health, social care or community work
- Fundraising, communications or business leadership
- Lived experience of homelessness or housing insecurity

Business Plan

With Aspire House up and running it is time to refresh our Business Plan. We will engage with staff, volunteers, residents and wider stakeholders to develop our next Plan.

We are looking to the future; excited to know what the next 30 years will look like for Canaan Trust, and ready to step up to the next challenge to provide help and support where needed and towards tackling homelessness in our community.

Sue Bradley and Trist Eaton
Joint Chair of the Board of Trustees

Canaan Trust
(A Company Limited by Guarantee)

Report of the Trustees for the Year Ended 30 September 2025

Reference and Administrative Information

CHARITY NAME:	Canaan Trust
CHARITY REGISTRATION NUMBER:	1105657
COMPANY REGISTRATION NUMBER:	5169595
REGISTERED OFFICE:	Cliffe Hill House 22-26 Nottingham Road Stapleford Nottingham NG9 8AA
OPERATIONAL ADDRESS:	Jordan House 14 Main Street Long Eaton Nottingham NG10 1GR
PATRONS:	Andrew James
TRUSTEES OF THE CHARITY AND DIRECTORS OF THE COMPANY:	Mrs D Ross (Treasurer) (Resigned 19.2.25) Mr D Gee (Chair) (Resigned 19.2.25) Mr T J Broad Mr A Goulden (Resigned 19.2.25) Mr T Jones Ms H Henshaw Ms S Bradley Ms P Eaton Ms A Stacey (Appointed 19.2.25) Mr T Skelton (Appointed 19.2.25, Resigned 28.11.25)
COMPANY SECRETARY:	Not Appointed
INDEPENDENT EXAMINER:	Matt Brady FCCA TC Group Cliffe Hill House 22 – 26 Nottingham Road Stapleford Nottingham NG9 8AA
BANKERS:	The Co-operative Bank PLC 4 – 5 Exchange Walk Nottingham NG1 2NX Barclays Bank PLC
SOLICITORS:	Ellis-Fermor Negus 35 Derby Road Long Eaton Nottingham NG10 1LU
WEBSITE:	www.canaan-trust.co.uk

Canaan Trust
(A Company Limited by Guarantee)

Trustees' Report for the Year Ended 30 September 2025 - Continued

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 2 July 2004 and registered as a charity on 27 August 2004. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound-up members are required to contribute an amount not exceeding £10.

Recruitment and Appointment of Management Committee

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as the Board of Directors. Under the requirements of the Memorandum and Articles of Association one third of the members of the Board of Directors are required to retire from office annually. The Directors to retire by rotation shall be those who have been longest in office since their last appointment. The Trustees appointed represent a number of churches and dominations within the locality.

Formation

Canaan Trust formally commenced operation on the 1 April 2005 when all assets and the operations of The Aspire Trust were transferred to the Canaan Trust by a deed of gift and staff were transferred under TUPE.

Trustee Induction and Training

Any new trustee undergoes an induction process to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making process, the business plan and the recent financial performance of the Charity. During this induction they meet key employees and other trustees. All trustees are actively encouraged to attend appropriate training events that will facilitate the undertaking of their role within the charity.

Risk Management

The Board of Directors has conducted a review of the major risks to which the charity is exposed. A risk register has been established and will be updated annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. The Trust has appointed external advisers for Health and Safety, Human Resources and Information Technology to ensure compliance with current legislation and provide expert advice. Significant external risks to funding have led to the development of a strategic plan which will allow for the diversification of funding and activities. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the project. Monthly reports are produced to monitor Income and Expenditure enabling steps to be taken early to lessen risk. Internal risks are minimised by the implementation of procedures for authorisation of all transactions by at least 2 trustees.

Canaan Trust
(A Company Limited by Guarantee)

Trustees' Report for the Year Ended 30 September 2025 - Continued

Organisational Structure

Canaan Trust has a Board of Directors which meets bi-monthly and is responsible for the strategic direction and policy of the charity. At present the Board has six members from a variety of professional backgrounds relevant to the work of the charity.

A scheme of delegation is in place and day to day responsibility for the provision of the services rests with the project manager Mr Kevin Curtis. He is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. The Manager has responsibility for the day to day operational management of the Project, individual supervision of the staff team and also ensuring that the team continue to develop their skills and working practices in line with good practice.

Responsibilities of the Trustees

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the management committee should follow best practice and:

- State whether applicable UK accounting standards have been followed; subject to any material departures disclosed and explained in the financial statements.
- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.
- Observe the methods and principles in the Charities SORP.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Board of Directors is also responsible for safeguarding the assets of the charitable company, hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members of the Management Committee

Members of the Board of Directors who are also trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 5.

Members of the Charitable Company guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 30 September 2025 was 6 (2024 – 8).

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities in accordance with the Special Provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Board of Directors on (18.03.26) and signed on its behalf by:

Signature  Patricia Eaton (Director and Joint Chairperson of Board of Trustees)

Signature  Susan Bradley (Director and Joint Chairperson of Board of Trustees)

Canaan Trust
(A Company Limited by Guarantee)
Company Number: 05169595

Independent Examiner's Report to the Trustees of Canaan Trust

I report on the charity trustees on my examination of the accounts of the company for the year ended 30 September 2025.

Responsibilities and Basis of Report

As the charity's trustees of the Company (and also its directors for the purpose of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

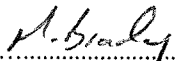
Independent Examiner's Statement

Since the Company's gross income exceeded £250,000, your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:-

- 1) Accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- 2) The accounts do not accord with those records; or
- 3) The accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirements that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- 4) The accounts have not been prepared in accordance with the methods and principles of the Statement of recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.


.....
Matt Brady FCCA

Dated 27/04/2025

TC Group
Cliffe Hill House
22-26 Nottingham Road
Stapleford
Nottingham
NG9 8AA

Canaan Trust
(A Company Limited by Guarantee)

Statement of Financial Activities (including Income and Expenditure Account)
For the Year Ended 30 September 2025

	Notes	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total Funds 2025 £	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £
Income							
Donations and Legacies	2	148,686	173,725	322,411	299,328	768,606	1,067,934
Investment Income		5,444	-	5,444	9,754	-	9,754
Income from charitable activities:							
Rent & Utilities	3	219,569	-	219,569	312,564	-	312,564
Fundraising		27,234	-	27,234	45,281	-	45,281
Other Income		-	-	-	112	-	112
Total Incoming Resources		400,933	173,725	574,658	667,039	768,606	1,435,645
Expenditure							
Raising Funds	4	26,963		26,963	23,100	-	23,100
Charitable activities	4	329,810	131,893	461,703	339,560	134,502	474,062
Support Costs	4	113,426	-	113,426	113,818	-	113,818
Total Expenditure		470,199	131,893	602,092	476,478	134,502	610,980
Net income/expenditure and net movement in fund		(69,266)	41,832	(27,434)	190,561	634,104	824,665
Transfer between funds	17	381,789	(381,789)	-	318,578	(318,578)	-
Reconciliation of funds							
Total fund balances brought forward 1 October 2024	17	1,315,370	379,372	1,694,742	806,231	63,846	870,077
Total fund balances carried forward 30 September 2025	17	1,627,893	39,415	1,667,308	1,315,370	379,372	1,694,742

The statement of financial activities includes all gains and losses in the year.
All incoming resources and resources expended derive from continuing activities.

Canaan Trust
(A Company Limited by Guarantee)

Balance Sheet as at 30 September 2025

		2025	2024
	Notes	£	£
Fixed Assets			
Tangible Assets	9	1,600,542	1,193,309
Current Assets			
Debtors	13	10,034	11,418
Cash at bank and in hand		321,625	747,318
		<u>331,659</u>	<u>758,736</u>
Creditors: amounts falling due within one year.	14	<u>62,825</u>	<u>19,791</u>
Net Current Assets/(Liabilities)		268,834	738,945
Creditors: amounts falling due over 1 year	15	202,068	237,512
Net Assets		<u>1,667,308</u>	<u>1,694,742</u>
Unrestricted funds			
General Funds - General Purposes	16	179,420	312,777
Designated Fund – expansion of Canaan Trust		50,000	50,000
Designated Fund – freehold property and fixed assets		1,398,473	952,593
Restricted Funds	16	39,415	379,372
Total Charity Funds	17	<u>1,667,308</u>	<u>1,694,742</u>

The Company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 September 2025.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 September 2025, in accordance with Section 476 of the Companies Act 2006.

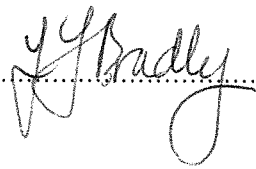
The trustees acknowledge their responsibilities for:

- a) Ensuring the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006, and
- b) Preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements, so far as applicable to the company.

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Board of Directors on 18.03.2026 and signed on its behalf by:

Patricia Eaton (Director and Joint Chairperson of Board of Trustees) 

Susan Bradley (Director and Joint Chairperson of Board of Trustees) 

Canaan Trust
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Notes forming part of the Financial Statements for the Year Ended 30 September 2025

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:-

Basis of preparation and assessment of going concern

The financial statements have been in accordance with the 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 (FRS102) (issued 1st January 2019) – (Charities SORP FRS102). The Financial Reporting Standard applicable in UK and Republic of Ireland (FRS102) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The charity constitutes a public benefit entity as defined by FRS102.

Going Concern

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

The funds of the charity are considered sufficient to sustain the charity.

The accounts are presented in Sterling £1.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised upon receipt.
- Donated services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of 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.
- Incoming resources from charitable trading activity are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for upon receipt.
- Interest receivable – Interest on funds held on deposit is included when receivable and the amount can be received reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.
- Legacies are accounted for on a receivable basis when the following conditions have been met.
 - The final estate accounts have been approved
 - The legacy is capable of measurement; and
 - There is no reversionary interest

Canaan Trust
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Notes forming part of the Financial Statements for the Year Ended 30 September 2025 - Continued

Resources expended

Expenditure is recognised on an accrual basis as the liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting grants income and donations.
- 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 include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.
- Allocation of Support Costs – Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Trusts programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 4.
- Operating Leases – The charity classifies the lease of photocopiers and mobile phones as operating leases. Rental charges are charged on a straight line basis over the term of the lease.

Tangible Fixed Assets

All fixed assets are capitalised at cost, where considered appropriate to capitalise. Those purchased by specific gifts and grants adhere to the same treatment.

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

Fixture, Fitting and Equipment	-	20% reducing balance
Property	-	No charge for depreciation
Office Equipment	-	25% on cost

No depreciation is charged on land and buildings as the residual value is believed to be higher than historical cost.

Professional and borrowing fees in direct relation to the renovation of 'Aspire House', have been capitalised until the property has been completed to a standard deemed fit for purpose. The property was deemed fit for purpose on the 12 July 2025, fees have therefore not been capitalised after this date. Total costs capitalised for 2025: £10,917 (2024: £51,504).

Pensions

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. Contributions payable for the year are shown in the statement of financial activities.

Debtors

Debtors are recognised at the settlement amount owed to the Charity or prepaid.

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 30 September 2025 - Continued

Creditors

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.

Financial Instruments

The Charity 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

Taxation

The Charity is exempt from tax on its charitable activities. The Charity also rents its rooms to other local children's activities which satisfy the objectives of the Charity. The Trustees have reviewed the Charity's trading activities and are confident that they further the Charity's aims and, as such, are considered to be primary purpose trading.

Judgement and Key Sources of Estimation Uncertainty

The preparation of accounts using generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the accounts and the reported amounts of revenues and expenses during the reporting period.

The key estimates and assumptions used in the Financial Statements are detailed in the accounting policies.

Fund Balances

Unrestricted Funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the Charity without further specified purpose and are available as general funds.

Designated funds

Designated funds are unrestricted funds earmarked by the management committee for particular purposes.

Restricted Funds

Restricted funds are to be used for specific purposes as laid down by the donor and are subjected to restrictions of their expenditure imposed by the donor or through the terms of an appeal.

Legal Status of the Trust

The Trust is a company limited by guarantee and has no share capital: the liability of each member in the event of winding up is limited to £10.

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 30 September 2025 - Continued

2. Donations and Legacies

	Unrestricted	Restricted	2025	2024
	£	£	Total	Total
			£	£
Albert Hunt Trust	8,000	-	8,000	-
Beatice Laing Trust	-	5,000	5,000	-
Beeston Methodists	-	-	-	1,000
Benefact Trust	-	9,000	9,000	-
Broxtowe Borough Council	-	20,000	20,000	-
Charities Trust	-	30,000	30,000	60,000
Community Fund	-	-	-	38,464
Community Organisation	-	-	-	32,705
Derbyshire RCC	-	4,500	4,500	3,600
Derbyshire Community Foundation	-	21,833	21,833	15,221
Derbyshire Police & Crime Commissioner	-	2,500	2,500	-
Derby Golf Club	3,200	-	3,200	-
East Midlands CF	-	-	-	1,916
Erewash Voluntary Grant	-	1,500	1,500	-
Joan West	-	-	-	4,000
MGP Crowdfunder Ltd	-	2,695	2,695	-
Morrison Foundation	-	9,979	9,979	-
NGED Community Fund	-	-	-	10,000
Puddle Lane Trust	-	18,000	18,000	-
Unite EM	-	-	-	2,000
4X4 Properties	-	-	-	35,030
Asda Foundation	400	-	400	-
Bateman Charity Fund Trust	-	-	-	100
Cardinal Maritime	-	-	-	500
Fine and Country Goods	-	-	-	1,000
Garfield Weston	-	-	-	25,000
General Donations (Including Gift Aid)	18,737	-	18,737	103,542
Giving for new property	29,094	29,500	58,594	704,269
Jefford Weller Grant	-	500	500	500
LEMBA	-	-	-	1,500
Main Grants	-	-	-	9,980
Masonic Charitable Trust	-	-	-	500
MSE Charity	-	-	-	6,607
Neighbourly Sainsburys	3,500	-	3,500	1,500
The 29 th May 1961	-	5,000	5,000	5,000
The Sage Trust	-	-	-	1,000
TK Maxx	500	-	500	500
Rural Action Derbyshire	-	5,000	5,000	-
Rotary Club Erewash	5,008	-	5,008	-
Rotary Club Long Eaton	1,000	-	1,000	-
The Poor Lands Charity	9,247	-	9,247	-
The Hobson Charity	-	8,718	8,718	-
The Estate of Thelma Minton	70,000	-	70,000	-
Vernon Bower Charitable Trust	-	-	-	2,500
	148,686	173,725	322,411	1,067,934

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 30 September 2025 - Continued

3. Income from Charitable Activities

	Unrestricted	Restricted	2025	2024
	£	£	Total	Total
	£		£	£
Utility Income	10,764	-	10,764	20,901
Rent				
Housing Benefit	208,805	-	208,805	291,663
	<u>219,569</u>	<u>-</u>	<u>219,569</u>	<u>312,564</u>

Trustee giving during the year totalled £1,291 (2024: £1,845).

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 30 September 2025 - Continued

4. Expenditure

	Basis of Allocation	Raising Funds	Charitable Activities	Support Costs	2025 Total	2024 Total
Costs directly allocated to activities	£	£	£	£	£	£
Staff Costs	Direct	-	333,654	98,544	432,198	377,837
Rent, Rates and Water	Usage	-	13,129	-	13,129	42,483
Heat, Light & Power	Usage	-	13,205	-	13,205	17,176
Travel and Staff Expenses	Direct	-	4,220	30	4,250	5,249
Insurance	Direct	-	10,070	-	10,070	12,589
Cleaning/Housekeeping	Direct	-	4,806	533	5,339	6,121
Residents Expenses	Direct	-	28,365	-	28,365	32,954
Training Costs	Direct	-	2,273	-	2,273	26
Property Maintenance	Direct	-	11,796	-	11,796	29,561
Healthy Living costs	Direct	-	-	-	-	780
Consultancy Fees and DBS Checks	Direct	-	4,831	-	4,831	23,796
		-	426,349	99,107	525,456	548,572
Support costs allocated to activities						
Fundraising Costs		18,140	-	-	18,140	10,116
Stationery, photocopier and office costs	Usage	1,202	2,404	1,203	4,809	6,110
Office Equipment and Maintenance Costs	Usage	1,979	3,959	1,980	7,918	8,258
Recruitment Costs		-	-	1,066	1,066	-
Computer Expenses	Usage	4,404	8,808	4,405	17,617	18,449
Telephone, Mobile and Broadband	Usage	225	3,378	902	4,505	8,362
Sundry Expenses	Usage	918	461	918	2,297	1,026
Charitable Giving	Direct	-	2,374	-	2,374	3,150
Bank Charges	Usage	95	97	95	287	605
Accounting and Payroll	Direct	-	6,452	717	7,169	6,228
Depreciation	Usage	-	4,548	3,033	7,581	104
Mortgage Interest		-	2,873	-	2,873	-
		26,963	35,354	14,319	76,636	62,408
Total Resources Expended		26,963	461,703	113,426	602,092	610,980

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 30 September 2025 - Continued

5. Net Incoming Resources for the year

This is stated after charging

	2025	2024
	£	£
Depreciation	7,581	104
Reporting Accountants Fee	4,919	3,366
Payroll Preparation Fees	2,250	2,862

6. Staff Costs and Numbers

	£	£
Salaries	386,787	345,914
Pension Costs	16,908	15,363
Employers National Insurance	28,503	16,560
	<u>432,198</u>	<u>377,837</u>

Average number of paid full and part time employees in the year	20	12
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10 within the pension scheme (2024: 9).

The cost for employee's are partly charged to support costs. The others are included in charitable activities. (note 4)

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

Total remuneration of key management personnel in the period was £187,630 (2024: £126,334).

7. Trustee Remuneration and Related Party Transactions

No emoluments were received by the Trustees either in their capacities as Trustees or as members of the Board of Trustees. There were no other emoluments or expenses paid to any other Charity trustee, or persons connected with such a trustee directly or indirectly from the funds of the Charity or from the property of any body connected with the Charity. The wife of a Trustee now works on a part time basis for the charity. She is paid at a rate that is in line with other staff members and the appointment was approved by all trustees. There are no other related party transactions.

8. Taxation

As a Charity, Canaan Trust is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 30 September 2025 - Continued

9. Tangible Fixed Assets

	Land and Buildings £	Office Equipment £	Fixtures and Equipment £	Van £	Total £
Cost					
Brought forward	1,192,894	5,796	21,702	17,779	1,238,171
Additions	378,798	19,327	16,689	-	414,814
At 30 September 2025	<u>1,571,692</u>	<u>25,123</u>	<u>38,391</u>	<u>17,779</u>	<u>1,652,985</u>
Depreciation					
Brought forward	-	5,796	21,287	17,779	44,862
Charge for the year	-	4,161	3,420	-	7,581
At 30 September 2025	<u>-</u>	<u>9,957</u>	<u>24,707</u>	<u>17,779</u>	<u>52,443</u>
Net Book Value					
At 30 September 2025	<u>1,571,692</u>	<u>15,166</u>	<u>13,684</u>	<u>-</u>	<u>1,600,542</u>
At 30 September 2024	<u>1,192,894</u>	<u>-</u>	<u>415</u>	<u>-</u>	<u>1,193,309</u>

There were tangible assets donated during the year that were capitalised within fixtures and equipment, this amounts to £7,956.

10. Financial Commitments

The Charity has the following commitments:

- An annual commitment to pay a photocopier and printer lease. The annual lease charge payable is at least £1,002.
- A commitment to the current insurance company for premiums of at least £4,071 per annum until April 2026.

11. Pension Commitments

The Charity operates a defined contribution pension scheme administered by Standard Life. The assets are held separate from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £16,908 (2024: £15,362).

12. Donations paid during the year were as follows:-

	£ 2025	£ 2024
Bundle of Hope	2,100	3,150
Just Giving	94	-
Local Giving	180	-
	<u>2,374</u>	<u>3,150</u>

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 30 September 2025 - Continued

13. Debtors

	2025	2024
	£	£
Trade Debtors	7,205	8,471
Other Debtors and Prepayments	2,829	2,947
	<u>10,034</u>	<u>11,418</u>

14. Creditors: Amounts falling due in one year

	2025	2024
	£	£
Trade Creditors	41,926	3,546
Taxation and Social Security	10,784	5,554
Other Creditors and Accruals	10,115	10,691
	<u>62,825</u>	<u>19,791</u>

15. Creditors: Amounts falling due after one year

	2025	2024
	£	£
Bank Loan	202,068	237,512

The Bank holds security for the loan in the form of first and only legal charge over the property to which it relates.

These amounts are repayable by instalments by January 2045.

16. Analysis of Net Assets between funds

Year Ended 30 September 2025	General Fund	Restricted Fund	Total Funds 2025	Total 2024
	£	£	£	£
Tangible Fixed Assets	1,600,542	-	1,600,542	1,193,309
Current Assets	251,718	39,415	291,133	758,736
Current Liabilities	(22,299)	-	(22,299)	(19,791)
Long Term Liabilities	(202,068)	-	(202,068)	(237,512)
Net Assets at 30 September	<u>1,627,893</u>	<u>39,415</u>	<u>1,667,308</u>	<u>1,694,742</u>

Period Ended 30 September 2024	General Fund	Restricted Fund	Total Funds 2024	Total 2023
	£	£	£	£
Tangible Fixed Assets	1,193,309	-	1,193,309	879,015
Current Assets	379,364	379,372	758,736	247,218
Current Liabilities	(19,791)	-	(19,791)	(11,156)
Long Term Liabilities	(237,512)	-	(237,512)	(245,000)
Net Assets at 30 September	<u>1,315,370</u>	<u>379,372</u>	<u>1,694,742</u>	<u>870,077</u>

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 30 September 2025 – Continued

17. Movements in Funds

Year Ended 30 September 2025	At 1 October 2024	Incoming Resources	Outgoing Resources	Transfers	At 30 September 2025
<u>Restricted funds</u>	£	£	£	£	£
Property Fund	347,702	127,197	92,000	(378,798)	4,101
Foundation Derbyshire	(2,040)	-	-	2,040	-
Tesco Community	375	-	-	-	375
Sainsburys	(69)	-	-	69	-
Broxtowe Borough Council	-	20,000	-	-	20,000
Derbyshire Community Foundation	-	21,833	18,000	-	3,833
Unite EM/ DE 13	2,000	-	2,000	-	-
MGP Crowdfunder Ltd	-	2,695	2,695	-	-
Charities Trust	27,804	-	16,698	-	11,106
Erewash Voluntary Grant	-	1,500	-	(1,500)	-
Beeston Methodists	-	-	-	-	-
Jefford Weller	-	500	500	-	-
Derbys R C C	3,600	-	-	(3,600)	-
	<u>379,372</u>	<u>173,725</u>	<u>131,893</u>	<u>(381,789)</u>	<u>39,415</u>
<u>Unrestricted funds</u>	<u>312,777</u>	<u>400,933</u>	<u>470,199</u>	<u>(64,091)</u>	<u>179,420</u>
Designated Fund					
– expansion of Canaan Trust	50,000	-	-	-	50,000
Designated Fund – freehold property and fixed assets	952,593	-	-	445,880	1,398,473
General Fund Balance	<u>1,315,370</u>	<u>400,933</u>	<u>470,199</u>	<u>381,789</u>	<u>1,627,893</u>
Total Fund Balance	<u>1,694,742</u>	<u>574,658</u>	<u>602,092</u>	<u>-</u>	<u>1,667,308</u>

Designated Funds

Expansion of Canaan Trust - The trustees previously set aside from the general fund an amount of £160,000 for the expansion of the Canaan Trust for the future. Back in 2023, £110,000 of this fund was used towards the deposit for the purchase of Aspire House and as such the fund has been re-designated within the Freehold property and fixed asset designated fund.

Freehold Property and Fixed Assets – During the year the Trustees have designated funds representing the net value of freehold property, fixed assets, less any outstanding debt secured against those assets, for maintenance of such assets and the servicing of debts.

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 30 September 2025 – Continued

17. Movements in Funds – Continued

Period Ended 30 September 2024	At 1 April 2023	Incoming Resources	Outgoing Resources	Transfers	At 30 September 2024
<u>Restricted funds</u>	£	£	£	£	£
Property Fund	65,580	600,700	-	(318,578)	347,702
Foundation Derbyshire	(2,040)	-	-	-	(2,040)
Tesco Community	375	-	-	-	375
Sainsburys	(69)	-	-	-	(69)
East Midlands CF	-	1,916	1,916	-	-
Derbyshire Community Fox	-	14,221	14,221	-	-
NGED Community Fund	-	10,000	10,000	-	-
Community Fund	-	38,464	38,464	-	-
Community Organisation	-	32,705	32,705	-	-
Unite EM/ DE 13	-	2,000	-	-	2,000
Joan West	-	4,000	4,000	-	-
Charities Trust	-	60,000	32,196	-	27,804
Beeston Methodists	-	1,000	1,000	-	-
Derbys R C C	-	3,600	-	-	3,600
	<u>63,846</u>	<u>768,606</u>	<u>134,502</u>	<u>(318,578)</u>	<u>379,372</u>
<u>Unrestricted funds</u>	<u>122,216</u>	<u>667,039</u>	<u>476,478</u>	<u>-</u>	<u>312,777</u>
Designated Fund – expansion of Canaan Trust	50,000	-	-	-	50,000
Designated Fund – freehold property and fixed assets	634,015	-	-	318,578	952,593
General Fund Balance	<u>806,231</u>	<u>667,039</u>	<u>476,478</u>	<u>318,578</u>	<u>1,315,370</u>
Total Fund Balance	<u>870,077</u>	<u>1,435,645</u>	<u>610,980</u>	<u>-</u>	<u>1,694,742</u>

Designated Funds

Expansion of Canaan Trust - The trustees previously set aside from the general fund an amount of £160,000 for the expansion of the Canaan Trust for the future. Back in 2023, £110,000 of this fund was used towards the deposit for the purchase of Aspire House and as such the fund has been re-designated within the Freehold property and fixed asset designated fund.

Freehold Property and Fixed Assets – During the year the Trustees have designated funds representing the net value of freehold property, fixed assets, less any outstanding debt secured against those assets, for maintenance of such assets and the servicing of debts.

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 30 September 2025 - Continued

Purpose of Restricted Funds

Property Fund – A total of £127,197 was received towards the construction, fitting-out and associated costs for the new women's centre at 16 Main Street, Long Eaton.

Derbyshire Community Foundation – A total of £21,833 for food bank costs.

MGP Crowdfunder Ltd - A total of £2,695 for food bank costs.

Broxtowe Borough Council – A total of £20,000 for Support Broxtowe Homeless.

Erewash Voluntary Grant – A total of £1,500 for laptops for education projects.

Jefford Weller – A total of £500 for Christmas costs.

18. Future Capital Commitments

See property fund details in note 17.

19. Negligence Insurance

The Charity hold Trustee Indemnity Insurance during the year which provides cover of up to £500,000.

CANAAN TRUST

England & Wales - Charity number 1105657

Accounts

CANAAN TRUST

(A Company Limited by Guarantee)

**UNAUDITED REPORT AND
FINANCIAL STATEMENTS**

for the Period Ended 30 September 2024

**Charity Number 1105657
Company Number 05169595**

Canaan Trust
(A Company Limited by Guarantee)

Report of the Trustees for the Period Ended 30 September 2024

The Trustees are pleased to present their annual Director's Report together with the financial statements of the charity for the period ended 30 September 2024 which are also prepared to meet the requirements for a Director's Report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Chairs' Report

This has been an incredibly busy year for everyone involved with the Canaan Trust. Having purchased our neighboring property, now named Aspire House, in order to provide accommodation for homeless females a tremendous amount of planning and fundraising resulted in Quantity Surveyors and Builders being contracted to carry out the physical refurbishment of the property. As I write this report this is nearly complete and we look forward to opening the house to residents.

Having recruited new trustees, we have developed a subcommittee structure for the governance of the Trust. These cover HR, Finance and Buildings. This has spread the workload for our volunteer trustees but more importantly allowed the managers to have greater face to face time with trustees to discuss relevant issues.

None of this has distracted from the ongoing work with current residents and those in the Community needing our support. As ever the staff have worked tirelessly to overcome all the challenges they have faced. The Trustees are indebted to every member of staff for the way they have conducted themselves in this challenging year.

As ever the Trust could not have achieved what it has this year without the amazing support of local businesses and a band of volunteers. I don't want to name businesses here because I am bound to miss one out which would be most unfair. However, their contributions are acknowledged on our social media pages so I hope they realise how much their contributions are valued.

Many individuals give much time in helping out on tasks supporting our work. Whether organising food parcels, moving furniture, rattling collection buckets or manning our stall at local events we can always rely on someone turning up to help out. Many hardy souls also braved a night on the street at our annual Sleep Out. A Christmas lunch was organised for people in the Community.

A fundraising committee has been formed and has already organised a number of events including Fashion Show, Quiz Night and Ceilidh.

We also received many financial donations from individuals who give regularly.

Without such support our activities would be severely curtailed. Sincere thanks to all.

This is the last such report I shall write as I am stepping down as a trustee at the next AGM. "Thank you" is really insufficient to express my gratitude to all members of staff and Trustees, past and present, who I have had the pleasure to work with over the past years.

It has been a great privilege to hold the post of Chair of Trustees and I leave confident that the future of Canaan Trust is in safe hands.

Objects and Activities

The objectives of the charity are the relief of poverty, the advancement of education and the provision of a planned programme of high quality housing related services.

Looking ahead we have expanded the number of trustees on the Board. These new recruits bring a wealth of knowledge, experience and enthusiasm to the Trust. Over the coming weeks and months we will be developing ways of working to ensure they make a truly positive effect on the governance of Canaan Trust and ensure we continue to provide the vital support to homeless individuals and those threatened with homelessness for which we are valued.

Canaan Trust
(A Company Limited by Guarantee)

Report of the Trustees for the Period Ended 30 September 2024 - Continued

Achievements and Performance

It has been an exciting time as we have developed a new staffing structure that will support the growth and development of the Canaan Trust as we move towards the opening of Aspire House. This has involved consultation with staff across the organisation and as with all proposed changes this has at times been challenging. It was really encouraging to interview so many people who had a real heart for our work and we are delighted with the appointments we have made and the potential for growth and development of individuals in the expanding team. This work will be ongoing as we work to ensure that we provide the best possible support for both new and established staff by enhancing our current induction processes and reviewing training opportunities to reflect our expanding work.

Our work as a board has involved a review of all policies and procedures to ensure that they better reflect the work of the Trust as we expand. The HR/Staffing group has prioritised a number of key areas such as recruitment and selection, appraisal arrangements etc. We will continue to review all the policies and procedures to ensure we are taking account of new legislation and changes within our organisation. In the next few months this will include a review of terms and conditions across the whole team and the re-issuing of contracts to reflect changes.

Whilst the Trust income and reserves appear significantly increased compared to the prior year, this is not a trend that we expect to see continued. The 18 months to 30 September 2024 have seen a huge effort by the Trust and all of its supporters to raise the funds necessary to renovate Aspire House and take us a step closer to bringing the much needed female homeless service into operation. We feel blessed and truly grateful that despite the economic pressures and cost of living crisis we were able to meet our fundraising targets and commence refurbishment work on the property.

We are acutely aware that expanding the Trust's services, now operating and maintaining three supported living properties as well as our ongoing work in the community, will require even greater charitable donations and grants going forward. This coupled with the increased rate of employer's national insurance contributions and minimum wage levels announced in the autumn 2024 budget put the Trust under financial pressure.

To respond to this pressure and the growth of the Trust's operations a finance manager has been recruited to help mature and strengthen our financial planning and management arrangements. Additionally, we have entered into to a contract with a consultant specialising in fund raising.

We continue to foster close links within the community and beyond to maximise our fundraising potential.

The work to bring Aspire House into being has not detracted from the ongoing work at Jordan House and Cranmer Street. We have continued to support residents to rebuild their lives and move on into their own accommodation. Demands on our Community work continue to grow. As well as providing food parcels we give advice and support to those who are threatened with homelessness. We are proud of the fact that Canaan Trust is seen as a "gold standard" for the support we give.

A full survey was undertaken on the Cranmer Street property and work has begun to rectify the issues this brought up. Moving forward a full maintenance schedule will be drawn up to address the remaining issues.

The CCTV systems at Jordan House and Cranmer Street have been upgraded.

All the inspections required to operate an HMO have been carried out.

To respond to this pressure and the growth of the Trust's operations a finance manager has been recruited to help mature and strengthen our financial planning and management arrangements. Additionally, we have entered into to a contract with a consultant specialising in fund raising

Canaan Trust
(A Company Limited by Guarantee)

Trustees' Report for the Period Ended 30 September 2024 - Continued

Public Benefit

Our charitable activities focus not just on the street homeless but also the "hidden homeless" who may be sofa surfing with friends and those threatened with homelessness for whatever reason. Those who are referred to us by local authorities often have a number of issues such as a history of alcohol/drug abuse, offending, learning difficulties, low self esteem. These issues are addressed by providing individual programmes of support, including counselling, and education on a wide range of life skills to equip the clients for independent living as well as support in dealing with external agencies.

Those in the community who arrive at our door often need short term help and advice to overcome a specific issue.

The Trust seeks to embed fair access, fair exit, diversity and inclusion within the culture and performance of its service. All equality and diversity policies and procedures are designed to proactively fulfil the requirements of the current legislation.

Equal access to our services is an important issue for us. We have a constant monitoring process to ensure entry to the project is not discriminatory by disability, religious belief or sexual orientation.

The trustees confirm that they have complied with their duties under section 17 of the 2011 Charities Act with regard to Public Benefit.

Financial Review

The attached financial statements show the current state of the finances. The company had incoming resources during the period of £1,435,645.

The company's revenue reserve unrestricted fund balance is a surplus of £1,315,370 at 30 September 2024 which is substantially held as property. The company's unrestricted surplus for the period totalled £312,777.

The principal funding sources of rental income from Housing Benefit, together with donations have been used to support the key objectives in achieving the performance as described above.

Investment Powers of Trust

To invest trust money in the purchase of or at interest on the security of such stocks funds shares securities or other investments or property of whatever nature and wherever situated as the Trustees in their absolute discretion think fit to the intent that the Trustees shall have the same full and unrestricted powers of investing and transposing investments as if they were beneficially entitled to the Trust Fund.

Grant Making Policy

At the discretion of the board of Trustees, they may from time to time make donations to other charities which have the same objectives as the Trust.

Fundraising Activities

A variety of activities take place to raise funds for the Charity. All of these funds are used for charitable purposes. The trustees are grateful for all help offered during the year on a voluntary basis.

Canaan Trust
(A Company Limited by Guarantee)

Trustees' Report for the Period Ended 30 September 2024 - Continued

Reserves Policy

As at 30 September 2024 the total funds of the Trust were £1,694,742 (31/03/2023: £870,077) a substantial amount of this being represented by fixed assets.

The Trust segregates its funds between those that are restricted and those that are unrestricted.

General funds represent the accumulated surplus on unrestricted income and expenditure and are available for use at the discretion of the Board in pursuing the general charitable objectives of the charity.

The Directors have adopted a reserves policy that unrestricted funds held in the general fund should cover 3 months running costs.

Designated funds are funds that have been set aside by the Board for a specific purpose.

In 2021/22 a designated fund was established for the expansion of the Canaan Trust for the future. The Directors have determined that this fund will be dedicated to the Aspire House Women's Project.

In 2022/23 a designated freehold property and fixed asset fund has been established that represents the net book value of the Trust's freehold property and fixed assets, less any outstanding debt secured against those assets. This fund has been separated from the general fund in recognition of the fact that the freehold property and fixed assets are used in the Trust's day-to-day work, and the fund value would not be easily realisable if needed to meet future liabilities.

Restricted funds represent income received where the donor or the nature of the appeal generating the income has imposed restrictions as to how the monies shall be used.

Future Plans

In the short term the refurbishment of Aspire House needs to be completed so we can welcome our first female residents.

New staff members will complete their induction and any training needs they require.

New trustees will be recruited to expand the number of Board members to reflect the increased size of the charity.

In the medium term fundraising opportunities will be identified to ensure the continued viability of the Trust. These will be from Grant awarding bodies and activities organised by our volunteer committee.

Policy reviews will continue to ensure they satisfy current requirements.

Once we are confident Aspire House is operating successfully and that finances are secure then we can look to longer term plans to ensure our services continue to be effective in relieving issues of homelessness.

Canaan Trust
(A Company Limited by Guarantee)

Report of the Trustees for the Period Ended 30 September 2024

Reference and Administrative Information

CHARITY NAME:	Canaan Trust
CHARITY REGISTRATION NUMBER:	1105657
COMPANY REGISTRATION NUMBER:	5169595
REGISTERED OFFICE:	Cliffe Hill House 22-26 Nottingham Road Stapleford Nottingham NG9 8AA
OPERATIONAL ADDRESS:	Jordan House 14 Main Street Long Eaton Nottingham NG10 1GR
PATRONS:	Andrew James
TRUSTEES OF THE CHARITY AND DIRECTORS OF THE COMPANY:	Mrs D Ross (Treasurer) Mr D Gee (chair) Mr T J Broad Mr A Goulden Mr T Jones Helen Hempshaw (Appointed 29.11.23) Susan Bradley (Appointed 29.11.23) Patricia Eaton (Appointed 29.11.23)
PROJECT MANAGER: (Responsible for day to day running of project)	Kevin Curtis
ASSISTANT MANAGER:	Kate Bassford
COMPANY SECRETARY:	Not Appointed
INDEPENDENT EXAMINER:	James Liptrott FCA Chartered Accountant Haines Watts Nottingham Limited Cliffe Hill House 22 – 26 Nottingham Road Stapleford Nottingham NG9 8AA
BANKERS:	The Co-operative Bank PLC 4 – 5 Exchange Walk Nottingham NG1 2NX Barclays Bank PLC
SOLICITORS:	Ellis-Fermor Negus 35 Derby Road Long Eaton Nottingham NG10 1LU
WEBSITE:	www.canaan-trust.co.uk

Canaan Trust
(A Company Limited by Guarantee)

Trustees' Report for the Period Ended 30 September 2024 - Continued

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 2 July 2004 and registered as a charity on 27 August 2004. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound-up members are required to contribute an amount not exceeding £10.

Recruitment and Appointment of Management Committee

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as the Board of Directors. Under the requirements of the Memorandum and Articles of Association one third of the members of the Board of Directors are required to retire from office annually. The Directors to retire by rotation shall be those who have been longest in office since their last appointment. The Trustees appointed represent a number of churches and dominations within the locality.

Formation

Canaan Trust formally commenced operation on the 1 April 2005 when all assets and the operations of The Aspire Trust were transferred to the Canaan Trust by a deed of gift and staff were transferred under TUPE.

Trustee Induction and Training

Any new trustee undergoes an induction process to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making process, the business plan and the recent financial performance of the Charity. During this induction they meet key employees and other trustees. All trustees are actively encouraged to attend appropriate training events that will facilitate the undertaking of their role within the charity.

Risk Management

The Board of Directors has conducted a review of the major risks to which the charity is exposed. A risk register has been established and will be updated annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. The Trust has appointed external advisers for Health and Safety, Human Resources and Information Technology to ensure compliance with current legislation and provide expert advice. Significant external risks to funding have led to the development of a strategic plan which will allow for the diversification of funding and activities. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the project. Monthly reports are produced to monitor Income and Expenditure enabling steps to be taken early to lessen risk. Internal risks are minimised by the implementation of procedures for authorisation of all transactions by at least 2 trustees or 1 trustee and the treasurer. The Treasurer and Project Manager monitor all cash transactions and limits are set for monthly amounts of expenditure.

The Directors monitor the threshold for the guarantee of funds in bank accounts and ensure our bank balances are allocated to different accounts to ensure there is no risk to them.

Canaan Trust
(A Company Limited by Guarantee)

Trustees' Report for the Period Ended 30 September 2024 - Continued

Organisational Structure

Canaan Trust has a Board of Directors which meets monthly and is responsible for the strategic direction and policy of the charity. At present the Committee has eight members from a variety of professional backgrounds relevant to the work of the charity.

A scheme of delegation is in place and day to day responsibility for the provision of the services rests with the project manager Mr Kevin Curtis. He is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. The Manager has responsibility for the day to day operational management of the Project, individual supervision of the staff team and also ensuring that the team continue to develop their skills and working practices in line with good practice.

Responsibilities of the Trustees

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the management committee should follow best practice and:

- State whether applicable UK accounting standards have been followed; subject to any material departures disclosed and explained in the financial statements.
- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.
- Observe the methods and principles in the Charities SORP.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Board of Directors is also responsible for safeguarding the assets of the charitable company, hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

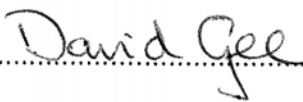
Members of the Management Committee

Members of the Board of Directors who are also trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 5.

Members of the Charitable Company guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 30 September 2024 was 8 (2023 – 6).

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities in accordance with the Special Provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Board of Directors on (22/01/2025) and signed on its behalf by:

Signature  Mr D Gee (Director and Chair of Board of Trustees)

Canaan Trust
(A Company Limited by Guarantee)
Company Number: 05169595

Independent Examiner's Report to the Trustees of Canaan Trust

I report on the charity trustees on my examination of the accounts of the company for the period ended 30 September 2024.

Responsibilities and Basis of Report

As the charity's trustees of the Company (and also its directors for the purpose of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

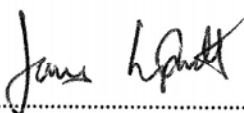
Independent Examiner's Statement

Since the Company's gross income exceeded £250,000, your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:-

- 1) Accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- 2) The accounts do not accord with those records; or
- 3) The accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirements that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- 4) The accounts have not been prepared in accordance with the methods and principles of the Statement of recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



James Liptrott FCA
Chartered Accountant

Dated 7/2/2025

Haines Watts Nottingham Limited
Cliffe Hill House
22-26 Nottingham Road
Stapleford
Nottingham
NG9 8AA

Canaan Trust
(A Company Limited by Guarantee)

Statement of Financial Activities (including Income and Expenditure Account)
For the Period Ended 30 September 2024

	Notes	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £
Income							
Donations and Legacies	2	299,328	768,606	1,067,934	79,855	77,118	156,973
Investment Income		9,754	-	9,754	504	-	504
Income from charitable activities:	3						
Rent & Utilities		312,564	-	312,564	196,165	-	196,165
Fundraising		45,281	-	45,281	29,337	-	29,337
Other Income		112	-	112	13	-	13
Total Incoming Resources		<u>667,039</u>	<u>768,606</u>	<u>1,435,645</u>	<u>305,874</u>	<u>77,118</u>	<u>382,992</u>
Expenditure							
Raising Funds	4	23,100	-	23,100	8,437	-	8,437
Charitable activities	4	339,560	134,502	474,062	205,065	35,248	240,313
Support Costs	4	113,818	-	113,818	67,539	-	67,539
Total Expenditure		<u>476,478</u>	<u>134,502</u>	<u>610,980</u>	<u>281,041</u>	<u>35,248</u>	<u>316,289</u>
Net income/expenditure and net movement in fund		190,561	634,104	824,665	24,833	41,870	66,703
Transfer between funds	17	318,578	(318,578)	-	-	-	-
Reconciliation of funds							
Total fund balances brought forward 1 April 2023	17	<u>806,231</u>	<u>63,846</u>	<u>870,077</u>	<u>781,398</u>	<u>21,976</u>	<u>803,374</u>
Total fund balances carried forward 30 September 2024	17	<u>1,315,370</u>	<u>379,372</u>	<u>1,694,742</u>	<u>806,231</u>	<u>63,846</u>	<u>870,077</u>

The statement of financial activities includes all gains and losses in the year.
All incoming resources and resources expended derive from continuing activities.

Canaan Trust
(A Company Limited by Guarantee)

Balance Sheet as at 30 September 2024

		2024		2023	
	Notes	£	£	£	£
Fixed Assets					
Tangible Assets	9		1,193,309		879,015
Current Assets					
Debtors	13	11,418		12,905	
Cash at bank and in hand		<u>747,318</u>		<u>234,313</u>	
		<u>758,736</u>		<u>247,218</u>	
Creditors: amounts falling due within one year.	14	<u>19,791</u>		<u>11,156</u>	
Net Current Assets/(Liabilities)			738,945		236,062
Creditors: amounts falling due over 1 year	15	237,512		245,000	
Net Assets			<u>1,694,742</u>		<u>870,077</u>
Unrestricted funds					
General Funds - General Purposes	16		312,777		122,216
Designated Fund – expansion of Canaan Trust			50,000		50,000
Designated Fund – freehold property and fixed assets			952,593		634,015
Restricted Funds	16		379,372		63,846
Total Charity Funds	17		<u>1,694,742</u>		<u>870,077</u>

The Company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 30 September 2024.

The members have not required the company to obtain an audit of its financial statements for the period ended 30 September 2024, in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for:

- Ensuring the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006, and
- Preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements, so far as applicable to the company.

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Board of Directors on 22/01/2025 and signed on its behalf by:

Mrs D Ross Treasurer and Trustee/Director Deanna J. Ross

Mr D Gee, Chairman of Directors and Trustee/Director David Gee

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Period Ended 30 September 2024

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 and assessment of going concern

The financial statements have been in accordance with the 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 (FRS102) (issued 1st January 2019) – (Charities SORP FRS102). The Financial Reporting Standard applicable in UK and Republic of Ireland (FRS102) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The charity constitutes a public benefit entity as defined by FRS102.

Going Concern

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

The funds of the charity are considered sufficient to sustain the charity.

The accounts are presented in Sterling £1.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of 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.
- Incoming resources from charitable trading activity are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.
- Interest receivable – Interest on funds held on deposit is included when receivable and the amount can be received reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.
- Legacies are accounted for on a receivable basis when the following conditions have been met.
 - The final estate accounts have been approved
 - The legacy is capable of measurement; and
 - There is no reversionary interest

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Period Ended 30 September 2024 - Continued

Resources expended

Expenditure is recognised on an accrual basis as the liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting grants income and donations.
- 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 include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.
- Allocation of Support Costs – Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Trusts programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 4.
- Operating Leases – The charity classifies the lease of photocopiers and mobile phones as operating leases. Rental charges are charged on a straight line basis over the term of the lease.

Tangible Fixed Assets

All fixed assets are capitalised at cost, where considered appropriate to capitalise. Those purchased by specific gifts and grants have been written off fully in the year of gift.

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

Fixture, Fitting and Equipment	-	20% reducing balance
Property	-	No charge for depreciation
Office Equipment	-	25% on cost

No depreciation is charged on land and buildings as the residual value is believed to be higher than historical cost.

Professional and borrowing fees in direct relation to the renovation of 'Aspire House', have been capitalised until the property has been completed to a standard deemed fit for purpose. Total costs capitalised for 2024. £51,504 (2023. £25,521).

Pensions

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. Contributions payable for the year are shown in the statement of financial activities.

Debtors

Debtors are recognised at the settlement amount owed to the Charity or prepaid.

Creditors

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.

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Period Ended 30 September 2024 - Continued

Financial Instruments

The Charity 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

Taxation

The Charity is exempt from tax on its charitable activities. The Charity also rents its rooms to other local children's activities which satisfy the objectives of the Charity. The Trustees have reviewed the Charity's trading activities and are confident that they further the Charity's aims and, as such, are considered to be primary purpose trading.

Judgement and Key Sources of Estimation Uncertainty

The preparation of accounts using generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the accounts and the reported amounts of revenues and expenses during the reporting period.

The key estimates and assumptions used in the Financial Statements are detailed in the accounting policies.

Fund Balances

Unrestricted Funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the Charity without further specified purpose and are available as general funds.

Designated funds

Designated funds are unrestricted funds earmarked by the management committee for particular purposes.

Restricted Funds

Restricted funds are to be used for specific purposes as laid down by the donor and are subjected to restrictions of their expenditure imposed by the donor or through the terms of an appeal.

Legal Status of the Trust

The Trust is a company limited by guarantee and has no share capital: the liability of each member in the event of winding up is limited to £10.

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Period Ended 30 September 2024 - Continued

2. Donations and Legacies

	Unrestricted £	Restricted £	2024 Total £	2023 Total £
Beeston Methodists	-	1,000	1,000	-
Charities Trust	-	60,000	60,000	-
Community Fund	-	38,464	38,464	-
Community Organisation	-	32,705	32,705	-
Derbyshire RCC	-	3,600	3,600	-
Derbyshire Community Foundation	1,000	14,221	15,221	5,320
East Midlands CF	-	1,916	1,916	-
Joan West	-	4,000	4,000	-
NGED Community Fund	-	10,000	10,000	-
Unite EM	-	2,000	2,000	-
4X4 Properties	35,030	-	35,030	-
Asda Foundation	-	-	-	1,800
Bateman Charity Fund Trust	100	-	100	-
Cardinal Maritime	500	-	500	-
Fine and Country Goods	1,000	-	1,000	2,000
Garfield Weston	25,000	-	25,000	-
General Donations (Including Gift Aid)	103,542	-	103,542	58,304
Giving for new property	103,569	600,700	704,269	87,973
Groundwork UK	-	-	-	375
Jefford Weller Grant	500	-	500	-
LEMBA	1,500	-	1,500	-
Main Grants	9,980	-	9,980	-
Masonic Charitable Trust	500	-	500	-
MSE Charity	6,607	-	6,607	-
Neighbourly Sainsburys	1,500	-	1,500	-
Rolls Royce – Small Grant	-	-	-	200
St Ralph Sherwin – Small Grant	-	-	-	501
Sainsburys	-	-	-	500
The 29 th May 1961	5,000	-	5,000	-
The Sage Trust	1,000	-	1,000	-
TK Maxx	500	-	500	-
Vernon Bower Charitable Trust	2,500	-	2,500	-
	<u>299,328</u>	<u>768,606</u>	<u>1,067,934</u>	<u>156,973</u>

3. Income from Charitable Activities

	Unrestricted £	Restricted £	2024 Total £	2023 Total £
Utility Income	20,901	-	20,901	16,203
Rent				
Housing Benefit	291,663	-	291,663	179,962
	<u>312,564</u>	<u>-</u>	<u>312,564</u>	<u>196,165</u>

Trustee giving during the year totalled £1,845 (2023: £1,700).

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Period Ended 30 September 2024 - Continued

4. Expenditure

	Basis of Allocation	Raising Funds	Charitable Activities	Support Costs	2024 Total	2023 Total
Costs directly allocated to activities	£	£	£	£	£	£
Staff Costs	Direct	-	279,590	98,247	377,837	221,500
Rent, Rates and Water	Usage	-	42,483	-	42,483	8,244
Heat, Light & Power	Usage	-	17,176	-	17,176	7,240
Travel and Staff Expenses	Direct	-	5,197	52	5,249	3,332
Insurance	Direct	-	12,589	-	12,589	5,874
Cleaning/Housekeeping	Direct	-	5,509	612	6,121	2,400
Residents Expenses	Direct	-	32,954	-	32,954	9,551
Training Costs	Direct	-	26	-	26	495
Property Maintenance	Direct	-	29,561	-	29,561	8,391
Healthy Living costs	Direct	-	780	-	780	911
Consultancy Fees and DBS Checks	Direct	-	23,796	-	23,796	9,024
		-	449,661	98,911	548,572	276,962
Support costs allocated to activities						
Fundraising Costs		10,116	-	-	10,116	2,613
Stationery, photocopier and office costs	Usage	1,527	3,055	1,528	6,110	7,536
Office Equipment and Maintenance Costs	Usage	2,064	4,129	2,065	8,258	1,530
Computer Expenses	Usage	4,612	9,224	4,613	18,449	12,289
Telephone, Mobile and Broadband	Usage	418	6,271	1,673	8,362	4,369
Sundry Expenses	Usage	410	206	410	1,026	382
Charitable Giving	Direct	-	3,150	-	3,150	1,925
Bank Charges	Usage	201	203	201	605	352
Accounting and Payroll	Direct	-	5,605	623	6,228	3,756
Depreciation	Usage	-	62	42	104	4,575
		19,348	31,905	11,155	62,408	39,327
Total Resources Expended		19,348	481,566	110,066	610,980	316,289

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Period Ended 30 September 2024 - Continued

5. Net Incoming Resources for the year

This is stated after charging

	2024	2023
	£	£
Depreciation	104	4,575
Reporting Accountants Fee	3,366	1,890
Payroll Preparation Fees	2,862	1,866

6. Staff Costs and Numbers

	£	£
Salaries	345,914	202,302
Pension Costs	15,363	8,923
Employers National Insurance	16,560	10,275
	<u>377,837</u>	<u>221,500</u>

Average number of paid full and part time employees in the year	12	16
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9 within the pension scheme (2023: 7).

The cost for employee's are partly charged to support costs. The others are included in charitable activities. (note 4)

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

Total remuneration of key management personnel in the period was £126,334 (2023: £75,685).

7. Trustee Remuneration and Related Party Transactions

No emoluments were received by the Trustees either in their capacities as Trustees or as members of the Board of Trustees. There were no other emoluments or expenses paid to any other Charity trustee, or persons connected with such a trustee directly or indirectly from the funds of the Charity or from the property of any body connected with the Charity. The wife of a Trustee now works on a part time basis for the charity. She is paid at a rate that is in line with other staff members and the appointment was approved by all trustees. There are no other related party transactions.

8. Taxation

As a Charity, Canaan Trust is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Period Ended 30 September 2024 - Continued

9. Tangible Fixed Assets

	Land and Buildings £	Office Equipment £	Fixtures and Equipment £	Van £	Total £
Cost					
Brought forward	878,496	5,796	21,702	17,779	923,773
Additions	314,398	-	-	-	314,398
At 30 September 2024	<u>1,192,894</u>	<u>5,796</u>	<u>21,702</u>	<u>17,779</u>	<u>1,238,171</u>
Depreciation					
Brought forward	-	5,796	21,183	17,779	44,758
Charge for the year	-	-	104	-	104
At 30 September 2024	<u>-</u>	<u>5,796</u>	<u>21,287</u>	<u>17,779</u>	<u>44,862</u>
Net Book Value					
At 30 September 2024	<u>1,192,894</u>	<u>-</u>	<u>415</u>	<u>-</u>	<u>1,193,309</u>
At 31 March 2023	<u>878,496</u>	<u>-</u>	<u>519</u>	<u>-</u>	<u>879,015</u>

There were no tangible assets donated during the year that were capitalised and all assets are held for the furtherance of the Charity's objectives.

10. Financial Commitments

The Charity has the following commitments:

- An annual commitment to pay a photocopier and printer lease. The annual lease charge payable is £937.60.
- A commitment to the current insurance company for premiums of at least £3,398 per annum until April 2023.

11. Pension Commitments

The Charity operates a defined contribution pension scheme administered by Standard Life. The assets are held separate from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £15,362 (2023: £8,923).

12. Donations paid during the year were as follows:-

	£ 2024	£ 2023
Bundle of Hope	3,150	1,050
The Footprints Family	-	875
	<u>3,150</u>	<u>1,925</u>

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Period Ended 30 September 2024 - Continued

13. Debtors

	2024	2023
	£	£
Trade Debtors	8,471	8,798
Other Debtors and Prepayments	2,947	4,107
	<u>11,418</u>	<u>12,905</u>

14. Creditors: Amounts falling due in one year

	2024	2023
	£	£
Trade Creditors	3,546	1,506
Taxation and Social Security	5,554	3,942
Other Creditors and Accruals	10,691	5,708
	<u>19,791</u>	<u>11,156</u>

15. Creditors: Amounts falling due after one year

	2024	2023
	£	£
Bank Loan	237,512	245,000

The Bank holds security for the loan in the form of first and only legal charge over the property to which it relates.

These amounts are repayable other than by instalments due more than 5 years from the balance sheet date.

16. Analysis of Net Assets between funds

Period Ended 30 September 2024	General Fund £	Restricted Fund £	Total Funds 2024 £	Total 2023 £
Tangible Fixed Assets	1,193,309	-	1,193,309	879,015
Current Assets	379,364	379,372	758,736	247,218
Current Liabilities	(19,791)	-	(19,791)	(11,156)
Long Term Liabilities	(237,512)	-	(237,512)	(245,000)
Net Assets at 30 September	<u>1,315,370</u>	<u>379,372</u>	<u>1,694,742</u>	<u>870,077</u>

Year Ended 31 March 2023 (Restated)	General Fund £	Restricted Fund £	Total Funds 2023 £	Total 2022 £
Tangible Fixed Assets	879,015	-	879,015	505,946
Current Assets	183,372	63,846	247,218	308,974
Current Liabilities	(11,156)	-	(11,156)	(11,546)
Long Term Liabilities	(245,000)	-	(245,000)	-
Net Assets at 31 March	<u>806,231</u>	<u>63,846</u>	<u>870,077</u>	<u>803,374</u>

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Period Ended 30 September 2024 - Continued

17. Movements in Funds

Period Ended 30 September 2024	At 1 April 2023 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 30 September 2024 £
<u>Restricted funds</u>					
Property Fund	65,580	600,700		(318,578)	347,702
Foundation Derbyshire Tesco Community	(2,040)				(2,040)
Sainsburys	375 (69)				375 (69)
East Midlands CF		1,916	1,916		-
Derbyshire Community Fox		14,221	14,221		-
NGED Community Fund		10,000	10,000		-
Community Fund		38,464	38,464		-
Community Organisation		32,705	32,705		-
Unite EM/ DE 13		2,000			2,000
Joan West		4,000	4,000		-
Charities Trust		60,000	32,196		27,804
Beeston Methodists		1,000	1,000		-
Derbys R C C		3,600			3,600
	<u>63,846</u>	<u>768,606</u>	<u>134,502</u>	<u>(318,578)</u>	<u>379,372</u>
<u>Unrestricted funds</u>	<u>122,216</u>	<u>667,039</u>	<u>476,478</u>	<u>-</u>	<u>312,777</u>
Designated Fund					
– expansion of Canaan Trust	50,000	-	-	-	50,000
Designated Fund – freehold property and fixed assets	634,015	-	-	318,578	952,593
General Fund Balance	<u>806,231</u>	<u>667,039</u>	<u>476,478</u>		<u>1,315,370</u>
Total Fund Balance	<u>870,077</u>	<u>1,435,645</u>	<u>610,980</u>	<u>-</u>	<u>1,694,742</u>

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Period Ended 30 September 2024 - Continued

17. Movements in Funds - Continued

Year Ended 31 March 2023	At 1 April 2022 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 March 2023 £
<u>Restricted funds</u>					
Property Fund	3,090	70,923	8,433	-	65,580
National Lottery Community Fund	9,453	-	9,453	-	-
Puddle Lane Trust	1,200	-	1,200	-	-
Foundation Derbyshire	3,833	5,320	11,193	-	(2,040)
HSBC Supporting Community Fund	4,400	-	4,400	-	-
Tesco Community	-	375	-	-	375
Sainsburys	-	500	569	-	(69)
	<u>21,976</u>	<u>77,118</u>	<u>35,248</u>	<u>-</u>	<u>63,846</u>
<u>Unrestricted funds</u>	<u>621,398</u>	<u>305,874</u>	<u>281,041</u>	<u>(524,015)</u>	<u>122,216</u>
<u>Designated Fund</u>					
– expansion of Canaan Trust	160,000	-	-	(110,000)	50,000
<u>Designated Fund – freehold property and fixed assets</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>634,015</u>	<u>634,015</u>
General Fund Balance	<u>781,398</u>	<u>305,874</u>	<u>281,041</u>	<u>-</u>	<u>806,231</u>
Total Fund Balance	<u>803,374</u>	<u>382,992</u>	<u>316,289</u>	<u>-</u>	<u>870,077</u>

Designated Funds

Expansion of Canaan Trust - The trustees previously set aside from the general fund an amount of £160,000 for the expansion of the Canaan Trust for the future. During the previous year £110,000 of this fund was used towards the deposit for the purchase of Aspire House and as such the fund has been re-designated within the Freehold property and fixed asset designated fund.

Freehold Property and Fixed Assets – During the year the Trustees have designated funds representing the net value of freehold property, fixed assets, less any outstanding debt secured against those assets, for maintenance of such assets and the servicing of debts.

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Period Ended 30 September 2024 - Continued

Purpose of Restricted Funds

Property Fund – A total of £600,700 was received towards the construction, fitting-out and associated costs for the new women's centre at 16 Main Street, Long Eaton.

East Midlands CF – A total of £1,916 for electric room meters at Jordan House.

Derbyshire Community Fox – A total of £14,221 for food bank costs.

NGED Community Fund – A total of £10,000 for household items and food bank costs.

Community Fund – A total of £38,464 for core costs.

Community Organisation – A total of £32,705 for core costs.

Unite EM/ DE13 – A total of £2,000 for COVID related costs.

Joan West – A total of £4,000 for food bank costs.

Charities Trust – A total of £60,000 for service manager costs.

Beeston Methodist – A total of £1,000 for food bank costs.

Derby RCC – A total of £3,600 towards the purchase of laptops.

18. Future Capital Commitments

See property fund details in note 17.

19. Negligence Insurance

The Charity hold Trustee Indemnity Insurance during the year which provides cover of up to £250,000.

20. Prior Year Adjustment – 31/3/2023

<u>Fixed assets before change</u>	-	<u>Fixed assets after change</u>
£853,494		£879,015

<u>SofA before change</u>	-	<u>SofA after change</u>
£41,182		£66,703

In relation to the capitalisation of items listed as expenditure within the 2023 accounts to agree with FRS102 (paragraph 25.3A).

CANAAN TRUST

England & Wales - Charity number 1105657

Accounts

CANAAN TRUST
(A Company Limited by Guarantee)
UNAUDITED REPORT AND
FINANCIAL STATEMENTS
for the Year Ended 31 March 2023

Charity Number 1105657
Company Number 05169595

Canaan Trust
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2023

The Trustees are pleased to present their annual Director's Report together with the financial statements of the charity for the year ended 31 March 2023 which are also prepared to meet the requirements for a Director's Report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Chairs' Report

This financial year has been one of the most challenging in the Trust's history. This time last year we were completing the purchase of 16 Main Street to develop as a female house to complement the work of Jordan House our male accommodation.

Whilst we have made good progress in putting the necessary planning permissions and relevant plans in place the subsequent cost of living crisis has made fund raising a much bigger challenge, grant funding bodies, local organisations and individuals all having fewer funds to distribute. Having said that we are supported by many local individuals who have organised events for us. Local supermarkets continue to allow us to hold collections and donate goods. Firms have provided working parties for various tasks such as decorating and gardening. We are so truly grateful for all the local support we receive. We would not survive without it.

When the charity was inaugurated it was called the Aspire Trust, the name changing to Canaan Trust some years later. We have chosen to acknowledge this by naming number 16 "Aspire House."

Whilst working to bring Aspire House into use we are mindful that this should not have a negative impact on Jordan House and our work in the community. The overall finances of the Trust are therefore being kept under careful review to ensure those core activities continue and sufficient reserves are available for any unforeseen circumstances.

Objects and Activities

The objectives of the charity are the relief of poverty, the advancement of education and the provision of a planned programme of high quality housing related services.

Looking ahead we have expanded the number of trustees on the Board. These new recruits bring a wealth of knowledge, experience and enthusiasm to the Trust. Over the coming weeks and months we will be developing ways of working to ensure they make a truly positive effect on the governance of Canaan and ensure we continue to provide the vital support to homeless individuals and those threatened with homelessness for which we are valued.

Achievements and Performance

Throughout the year the Trust has continued to provide accommodation for 12 homeless males with support available 24/7. A number of residents have successfully found employment and moved on into their own accommodation. Support does not end there, staff are available to offer advice should they need it. There is always a waiting list for places so as soon as one client leaves another arrives, bringing their own issues to be addressed together with the staff.

Demands for support for those in the community continues to increase. The demand for food parcels continues to grow often outstripping the number of donations received. We have been successful in receiving monetary grants to enable us to buy food to make up the shortfall.

Canaan Trust
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2023 - Continued

Canaan is also known as a place where advice is available. We support all who come asking for advice and our staff share their considerable knowledge and expertise to help them through their difficulties.

The Trustees wish to acknowledge once again the lengths all our staff go to to support those in need. The phrase “above and beyond the call of duty” can easily be written but the Trustees often find themselves in awe at the challenges staff have faced and how they have dealt with them. We sincerely thank them once again for all they do.

The staff are backed up by a team of very hardworking volunteers who undertake a myriad of tasks. Helping clients move furniture and belongings, preparing food parcels, managing donations, counting collections are just a few examples of the help we receive. Again the Trustees are truly grateful for all their efforts.

Major events during the year were the Christmas Lunch in the Community, the Annual Sleep Out, participation in the Carnival. All of these were really well supported and raised awareness of the work of the Trust.

A significant Public Meeting was held in January to show the plans for Aspire House and explain our hopes and plans for its development. This was very well attended and generated much interest and support.

To enhance the fundraising for Aspire House we have employed the services of a professional fundraiser for one day a week. The results of her work are already coming through.

As mentioned in the Chair’s report the Board of Trustees has been expanded to reflect the increased size of the Trust with the acquisition of Aspire House.

Their induction continues as we develop a subcommittee structure to ensure skills and expertise are focussed in areas where they can be most effective.

Public Benefit

Our charitable activities focus not just on the street homeless but also the “hidden homeless” who may be sofa surfing with friends and those threatened with homelessness for whatever reason. Those who are referred to us by local authorities often have a number of issues such as a history of alcohol/drug abuse, offending, learning difficulties, low self esteem. These issues are addressed by providing individual programmes of support, including counselling, and education on a wide range of life skills to equip the clients for independent living as well as support in dealing with external agencies.

Those in the community who arrive at our door often need short term help and advice to overcome a specific issue.

The Trust seeks to embed fair access, fair exit, diversity and inclusion within the culture and performance of its service. All equality and diversity policies and procedures are designed to proactively fulfil the requirements of the current legislation.

Equal access to our services is an important issue for us. We have a constant monitoring process to ensure entry to the project is not discriminatory by disability, religious belief or sexual orientation.

The trustees confirm that they have complied with their duties under section 17 of the 2011 Charities Act with regard to Public Benefit.

Canaan Trust
(A Company Limited by Guarantee)

Trustees' Report for the Year Ended 31 March 2023 - Continued

Financial Review

The attached financial statements show the current state of the finances. The company had incoming resources during the year of £382,992.

The company's revenue reserve unrestricted fund balance is a surplus of £844,556 at 31 March 2023 which is substantially held as property. The company's unrestricted deficit for the year totalled £688.

The principal funding sources of rental income from Housing Benefit, together with donations have been used to support the key objectives in achieving the performance as described above.

Investment Powers of Trust

To invest trust money in the purchase of or at interest on the security of such stocks funds shares securities or other investments or property of whatever nature and wherever situated as the Trustees in their absolute discretion think fit to the intent that the Trustees shall have the same full and unrestricted powers of investing and transposing investments as if they were beneficially entitled to the Trust Fund.

Grant Making Policy

At the discretion of the board of Trustees, they may from time to time make donations to other charities which have the same objectives as the Trust.

Fundraising Activities

A variety of activities take place to raise funds for the Charity. All of these funds are used for charitable purposes. The trustees are grateful for all help offered during the year on a voluntary basis.

Reserves Policy

As at 31 March 2023 the total funds of the Trust were £844,556 (2022: £803,374), a substantial amount of this being represented by fixed assets.

The Trust segregates its funds between those that are restricted and those that are unrestricted.

General funds represent the accumulated surplus on unrestricted income and expenditure and are available for use at the discretion of the Board in pursuing the general charitable objectives of the charity.

The Directors have adopted a reserves policy that unrestricted funds held in the general fund should cover 3 months running costs.

Designated funds are funds that have been set aside by the Board for a specific purpose.

In 2021/22 a designated fund was established for the expansion of the Canaan Trust for the future. The Directors have determined that this fund will be dedicated to the Aspire House Women's Project.

In 2022/23 a designated freehold property and fixed asset fund has been established that represents the net book value of the Trust's freehold property and fixed assets, less any outstanding debt secured against those assets. This fund has been separated from the general fund in recognition of the fact that the freehold property and fixed assets are used in the Trust's day-to-day work, and the fund value would not be easily realisable if needed to meet future liabilities.

Restricted funds represent income received where the donor or the nature of the appeal generating the income has imposed restrictions as to how the monies shall be used.

Canaan Trust
(A Company Limited by Guarantee)

Trustees' Report for the Year Ended 31 March 2023 - Continued

Future Plans

Our plans are set out in our Business Plan 2023-25 and the 5 Year Funding Strategy 2023-28 which have been produced this year. They are works in progress and will continue to be developed this year.

Given the difficult financial year we have just experienced the immediate priority is to stabilise the finances of the Trust to ensure its long term future.

Alongside this are the continuing efforts to raise funds for the refurbishment of Aspire House.

An element of this will be the establishment of a fundraising task force to coordinate community events on the Trust's behalf.

The continuing development of the work of the Board of Trustees to fully integrate the new Trustees and ensure their skills are fully utilised.

To plan the staffing structure of the Trust to take account of the extra staff members needed to operate Aspire House when it comes into use.

Canaan Trust
(A Company Limited by Guarantee)

Report of the Trustees for the Year Ended 31 March 2023

Reference and Administrative Information

CHARITY NAME:	Canaan Trust
CHARITY REGISTRATION NUMBER:	1105657
COMPANY REGISTRATION NUMBER:	5169595
REGISTERED OFFICE:	Cliffe Hill House 22-26 Nottingham Road Stapleford Nottingham NG9 8AA
OPERATIONAL ADDRESS:	Jordan House 14 Main Street Long Eaton Nottingham NG10 1GR
PATRONS:	Andrew James
TRUSTEES OF THE CHARITY AND DIRECTORS OF THE COMPANY:	Mrs D Ross (Treasurer) Mr D Gee (chair) Mr T J Broad Mr A Goulden Mr T Jones Mrs T Hopkins
PROJECT MANAGER: (Responsible for day to day running of project)	Kevin Curtis
ASSISTANT MANAGER:	Kate Bassford
COMPANY SECRETARY:	Not Appointed
INDEPENDENT EXAMINER:	Alexander Butterfield ACA Chartered Accountant Haines Watts Nottingham Limited Cliffe Hill House 22 – 26 Nottingham Road Stapleford Nottingham NG9 8AA
BANKERS:	The Co-operative Bank PLC 4 – 5 Exchange Walk Nottingham NG1 2NX Barclays Bank PLC
SOLICITORS:	Ellis-Fermor Negus 35 Derby Road Long Eaton Nottingham NG10 1LU
WEBSITE:	www.canaan-trust.co.uk

Canaan Trust
(A Company Limited by Guarantee)

Trustees' Report for the Year Ended 31 March 2023

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 2 July 2004 and registered as a charity on 27 August 2004. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound-up members are required to contribute an amount not exceeding £10.

Recruitment and Appointment of Management Committee

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as the Board of Directors. Under the requirements of the Memorandum and Articles of Association one third of the members of the Board of Directors are required to retire from office annually. The Directors to retire by rotation shall be those who have been longest in office since their last appointment. The Trustees appointed represent a number of churches and dominations within the locality.

Formation

Canaan Trust formally commenced operation on the 1 April 2005 when all assets and the operations of The Aspire Trust were transferred to the Canaan Trust by a deed of gift and staff were transferred under TUPE.

Trustee Induction and Training

Any new trustee undergoes an induction process to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making process, the business plan and the recent financial performance of the Charity. During this induction they meet key employees and other trustees. All trustees are actively encouraged to attend appropriate training events that will facilitate the undertaking of their role within the charity.

Risk Management

The Board of Directors has conducted a review of the major risks to which the charity is exposed. A risk register has been established and will be updated annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. The Trust has appointed external advisers for Health and Safety, Human Resources and Information Technology to ensure compliance with current legislation and provide expert advice. Significant external risks to funding have led to the development of a strategic plan which will allow for the diversification of funding and activities. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the project. Monthly reports are produced to monitor Income and Expenditure enabling steps to be taken early to lessen risk. Internal risks are minimised by the implementation of procedures for authorisation of all transactions by at least 2 trustees or 1 trustee and the treasurer. The Treasurer and Project Manager monitor all cash transactions and limits are set for monthly amounts of expenditure.

The Directors monitor the threshold for the guarantee of funds in bank accounts and ensure our bank balances are allocated to different accounts to ensure there is no risk to them.

Canaan Trust
(A Company Limited by Guarantee)

Trustees' Report for the Year Ended 31 March 2023 - Continued

Organisational Structure

Canaan Trust has a Board of Directors which meets monthly and is responsible for the strategic direction and policy of the charity. At present the Committee has six members from a variety of professional backgrounds relevant to the work of the charity.

A scheme of delegation is in place and day to day responsibility for the provision of the services rests with the project manager Mr Kevin Curtis. He is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. The Manager has responsibility for the day to day operational management of the Project, individual supervision of the staff team and also ensuring that the team continue to develop their skills and working practices in line with good practice.

Responsibilities of the Trustees

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the management committee should follow best practice and:

- State whether applicable UK accounting standards have been followed; subject to any material departures disclosed and explained in the financial statements.
- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.
- Observe the methods and principles in the Charities SORP.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Board of Directors is 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.

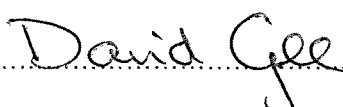
Members of the Management Committee

Members of the Board of Directors who are also trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 5.

Members of the Charitable Company guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2023 was 6 (2022 – 6).

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities in accordance with the Special Provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Board of Directors on (22/11/2023) and signed on its behalf by:

Signature  Mr D Gee (Director and Chair of Board of Trustees)

Canaan Trust
(A Company Limited by Guarantee)
Company Number: 05169595

Independent Examiner's Report to the Trustees of Canaan Trust

I report on the charity trustees on my examination of the accounts of the company for the year ended 31 March 2023.

Responsibilities and Basis of Report

As the charity's trustees of the Company (and also its directors for the purpose of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Since the Company's gross income exceeded £250,000, your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:-

- 1) Accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- 2) The accounts do not accord with those records; or
- 3) The accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirements that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- 4) The accounts have not been prepared in accordance with the methods and principles of the Statement of recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.


.....
Alexander Butterfield ACA
Chartered Accountant

Dated 28/11/2023

Haines Watts Nottingham Limited
Cliffe Hill House
22-26 Nottingham Road
Stapleford
Nottingham
NG9 8AA

Canaan Trust
(A Company Limited by Guarantee)

Statement of Financial Activities (including Income and Expenditure Account)
For the year ended 31 March 2023

	Notes	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £
Income							
Donations and Legacies	2	79,855	77,118	156,973	72,567	24,754	97,321
Investment Income		504	-	504	457	-	457
Income from charitable activities:	3						
Rent & Utilities		196,165	-	196,165	186,019	-	186,019
Fundraising		29,337	-	29,337	33,544	-	33,544
Other Income		13	-	13	10	-	10
Total Incoming Resources		305,874	77,118	382,992	292,597	24,754	317,351
Expenditure							
Raising Funds	4	11,870	-	11,870	6,698	-	6,698
Charitable activities	4	223,721	35,248	258,969	222,597	2,778	225,375
Support Costs	4	70,971	-	70,971	66,409	-	66,409
Total Expenditure		306,562	35,248	341,810	295,704	2,778	298,482
Net income/expenditure and net movement in fund		(688)	41,870	41,182	(3,107)	21,976	18,869
Reconciliation of funds							
Total fund balances brought forward 1 April 2022	17	781,398	21,976	803,374	784,505	-	784,505
Total fund balances carried forward 31 March 2023	17	780,710	63,846	844,556	781,398	21,976	803,374

The statement of financial activities includes all gains and losses in the year.
All incoming resources and resources expended derive from continuing activities.

Canaan Trust
(A Company Limited by Guarantee)

Balance Sheet as at 31 March 2023

	Notes	2023 £	2022 £
Fixed Assets			
Tangible Assets	9	853,494	505,946
Current Assets			
Debtors	13	12,905	13,623
Cash at bank and in hand		<u>234,313</u>	<u>295,351</u>
		<u>247,218</u>	<u>308,974</u>
Creditors: amounts falling due within one year.	14	<u>11,156</u>	<u>11,546</u>
Net Current Assets/(Liabilities)		236,062	297,428
Creditors: amounts falling due over 1 year	15	245,000	-
Net Assets		<u>844,556</u>	<u>803,374</u>
Unrestricted funds			
General Funds - General Purposes	16	122,216	621,398
Designated Fund – expansion of Canaan Trust		50,000	160,000
Designated Fund – freehold property and fixed assets		608,494	-
Restricted Funds	16	63,846	21,976
Total Charity Funds	17	<u>844,556</u>	<u>803,374</u>

The Company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ending 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for:

- Ensuring the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006, and
- Preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements, so far as applicable to the company.

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Board of Directors on 22/11/2023 and signed on its behalf by:

Mrs D Ross Treasurer and Trustee/Director Dianna Ross

Mr D Gee, Chairman of Directors and Trustee/Director David Gee

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2023

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 and assessment of going concern

The financial statements have been in accordance with the 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 (FRS102) (issued 1st January 2019) – (Charities SORP FRS102). The Financial Reporting Standard applicable in UK and Republic of Ireland (FRS102) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The charity constitutes a public benefit entity as defined by FRS102.

Going Concern

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

The funds of the charity are considered sufficient to sustain the charity.

The accounts are presented in Sterling £1.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of 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.
- Incoming resources from charitable trading activity are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.
- Interest receivable – Interest on funds held on deposit is included when receivable and the amount can be received reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.
- Legacies are accounted for on a receivable basis when the following conditions have been met.
 - The final estate accounts have been approved
 - The legacy is capable of measurement; and
 - There is no reversionary interest

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2023 - Continued

Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting grants income and donations.
- 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 include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.
- Allocation of Support Costs – Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Trusts programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 4.
- Operating Leases – The charity classifies the lease of photocopiers and mobile phones as operating leases. Rental charges are charged on a straight line basis over the term of the lease.

Tangible Fixed Assets

All fixed assets are capitalised at cost, where considered appropriate to capitalise. Those purchased by specific gifts and grants have been written off fully in the year of gift.

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

Fixture, Fitting and Equipment	-	20% reducing balance
Property	-	No charge for depreciation
Office Equipment	-	25% on cost

No depreciation is charged on land and buildings as the residual value is believed to be higher than historical cost.

Pensions

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. Contributions payable for the year are shown in the statement of financial activities.

Debtors

Debtors are recognised at the settlement amount owed to the Charity or prepaid.

Creditors

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.

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2023 - Continued

Financial Instruments

The Charity 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

Taxation

The Charity is exempt from tax on its charitable activities. The Charity also rents its rooms to other local children's activities which satisfy the objectives of the Charity. The Trustees have reviewed the Charity's trading activities and are confident that they further the Charity's aims and, as such, are considered to be primary purpose trading.

Judgement and Key Sources of Estimation Uncertainty

The preparation of accounts using generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the accounts and the reported amounts of revenues and expenses during the reporting period.

The key estimates and assumptions used in the Financial Statements are detailed in the accounting policies.

Fund Balances

Unrestricted Funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the Charity without further specified purpose and are available as general funds.

Designated funds

Designated funds are unrestricted funds earmarked by the management committee for particular purposes.

Restricted Funds

Restricted funds are to be used for specific purposes as laid down by the donor and are subjected to restrictions of their expenditure imposed by the donor or through the terms of an appeal.

Legal Status of the Trust

The Trust is a company limited by guarantee and has no share capital: the liability of each member in the event of winding up is limited to £10.

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2023 - Continued

2. Donations and Legacies

	Unrestricted £	Restricted £	2023 Total £	2022 Total £
Derbyshire County Council	-	-	-	1,700
Co-Op Community Fund	-	-	-	2,556
National Lottery Community Fund	-	-	-	9,696
Puddle Lane Trust	-	-	-	2,968
Breaston PPCC	-	-	-	2,200
Erewash Borough Council - small grant	-	-	-	125
Foundation Derbyshire	-	5,320	5,320	4,000
Neighbourhood Foundation	-	-	-	1,000
Sainsburys	-	500	500	1,846
Derby City Mission	-	-	-	14,250
Groundwork UK	-	375	375	1,125
General Donations (including Gift Aid)	58,304	-	58,304	45,765
Giving for new property	17,050	70,923	87,973	3,090
Long Eaton Rotary	-	-	-	1,000
Asda Foundation	1,800	-	1,800	1,000
HSBC Supporting Communities Fund	-	-	-	5,000
Rolls Royce – Small Grant	200	-	200	-
St Ralph Sherwin – Small Grant	501	-	501	-
Fine & Country	2,000	-	2,000	-
	<u>79,855</u>	<u>77,118</u>	<u>156,973</u>	<u>97,321</u>

3. Income from Charitable Activities

	Unrestricted £	Restricted £	2023 Total £	2022 Total £
Utility Income	16,203	-	16,203	10,695
Rent				
Housing Benefit	179,962	-	179,962	175,324
	<u>196,165</u>	<u>-</u>	<u>196,165</u>	<u>186,019</u>

Trustee giving during the year totalled £1,700 (2022: £126).

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2023 - Continued

4. Expenditure

	Basis of Allocation	Raising Funds	Rental income and grant income	Support Costs	2023 Total	2022 Total
Costs directly allocated to activities	£	£	£	£	£	£
Staff Costs	Direct	-	162,920	58,580	221,500	212,394
Rent, Rates and Water	Usage	-	8,244	-	8,244	7,359
Heat, Light & Power	Usage	-	7,240	-	7,240	7,152
Travel and Staff Expenses	Direct	-	3,299	33	3,332	3,266
Insurance	Direct	-	5,874	-	5,874	4,036
Cleaning/Housekeeping	Direct	-	2,160	240	2,400	2,370
Residents Expenses	Direct	-	9,551	-	9,551	5,874
Training Costs	Direct	-	495	-	495	356
Property Maintenance	Direct	-	8,391	-	8,391	4,419
Healthy Living costs	Direct	-	911	-	911	953
Consultancy Fees and DBS Checks	Direct	-	9,024	-	9,024	9,964
Professional Fees - (New property purchase)	Direct	-	15,224	-	15,224	2,346
		-	233,333	58,853	292,186	260,489
Support costs allocated to activities						
Fundraising Costs		2,613	-	-	2,613	804
Stationery, photocopier and office costs	Usage	1,884	3,768	1,884	7,536	4,703
Office Equipment and Maintenance Costs	Usage	382	765	382	1,530	6,736
Computer Expenses	Usage	3,072	6,145	3,072	12,289	10,015
Telephone, Mobile and Broadband	Usage	218	3,277	874	4,369	4,582
Sundry Expenses	Usage	152	78	152	382	381
Charitable Giving	Direct	-	1,925	-	1,925	2,100
Bank Charges	Usage	117	118	117	352	445
Accounting and Payroll	Direct	-	3,381	375	3,756	3,618
Depreciation	Usage	-	2,745	1,830	4,575	4,609
Loan Interest	Usage	3,432	3,433	3,432	10,297	-
		11,870	25,636	12,118	49,624	37,993
Total Resources Expended		11,870	258,969	70,971	341,810	298,482

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2023 - Continued

5. Net Incoming Resources for the year

This is stated after charging

	2023	2022
	£	£
Depreciation	4,575	4,609
Reporting Accountants Fee	1,890	1,890
Payroll Preparation Fees	1,866	1,728

6. Staff Costs and Numbers

	£	£
Salaries	202,302	193,156
Pension Costs	8,923	8,237
Employers National Insurance	10,275	10,201
	<u>221,500</u>	<u>212,394</u>

Average number of paid full and part time employees in the year	16*	16
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*7 within the pension scheme (2022: 7).

The cost for employee's are partly charged to support costs. The others are included in charitable activities. (note 4)

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

Total remuneration of key management personnel in the year was £75,685 (2022: £75,949).

7. Trustee Remuneration and Related Party Transactions

No emoluments were received by the Trustees either in their capacities as Trustees or as members of the Board of Trustees. There were no other emoluments or expenses paid to any other Charity trustee, or persons connected with such a trustee directly or indirectly from the funds of the Charity or from the property of any body connected with the Charity. The wife of a Trustee now works on a part time basis for the charity. She is paid at a rate that is in line with other staff members and the appointment was approved by all trustees. There are no other related party transactions.

8. Taxation

As a Charity, Canaan Trust is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2023 - Continued

9. Tangible Fixed Assets

	Land and Buildings £	Office Equipment £	Fixtures and Equipment £	Van £	Total £
Cost					
Brought forward	500,852	5,796	21,702	17,779	546,129
Additions	352,125	-	-	-	352,125
At 31 March 2023	<u>852,977</u>	<u>5,796</u>	<u>21,702</u>	<u>17,779</u>	<u>898,254</u>
Depreciation					
Brought forward	-	5,796	21,053	13,334	40,183
Charge for the year	-	-	130	4,445	4,575
At 31 March 2023	<u>-</u>	<u>5,796</u>	<u>21,183</u>	<u>17,779</u>	<u>44,758</u>
Net Book Value					
At 31 March 2023	<u>852,977</u>	<u>-</u>	<u>519</u>	<u>-</u>	<u>853,494</u>
At 31 March 2022	<u>500,852</u>	<u>-</u>	<u>649</u>	<u>4,445</u>	<u>505,946</u>

There were no tangible assets donated during the year that were capitalised and all assets are held for the furtherance of the Charity's objectives.

10. Financial Commitments

The Charity has the following commitments:

- An annual commitment to pay a photocopier and printer lease. The annual lease charge payable is £937.60.
- A commitment to the current insurance company for premiums of at least £3,398 per annum until April 2023.

11. Pension Commitments

The Charity operates a defined contribution pension scheme administered by Standard Life. The assets are held separate from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £8,923 (2022: £8,237).

12. Donations paid during the year were as follows:-

	£ 2023	£ 2022
Bundle of Hope	1,050	-
The Footprints Family	875	2,100
	<u>1,925</u>	<u>2,100</u>

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2023 (Continued)

13. Debtors

	2023	2022
	£	£
Trade Debtors	8,798	9,690
Other Debtors and Prepayments	4,107	3,933
	<u>12,905</u>	<u>13,623</u>

14. Creditors: Amounts falling due in one year

	2023	2022
	£	£
Trade Creditors	1,506	1,126
Taxation and Social Security	3,942	3,829
Other Creditors and Accruals	5,708	6,591
	<u>11,156</u>	<u>11,546</u>

15. Creditors: Amounts falling due after one year

	2023	2022
	£	£
Bank Loan	245,000	-

The Bank holds security for the loan in the form of first and only legal charge over the property to which it relates.

These amounts are repayable other than by instalments due more than 5 years from the balance sheet date.

16. Analysis of Net Assets between funds

Year Ended 31 March 2023	General Fund	Restricted Fund	Total Funds 2023	Total 2022
	£	£	£	£
Tangible Fixed Assets	853,494	-	853,494	505,946
Current Assets	183,372	63,846	247,218	308,974
Current Liabilities	(11,156)	-	(11,156)	(11,546)
Long Term Liabilities	(245,000)	-	(245,000)	-
Net Assets at 31 March	<u>780,710</u>	<u>63,846</u>	<u>844,556</u>	<u>803,374</u>

Year Ended 31 March 2022	General Fund	Restricted Fund	Total Funds 2022	Total 2021
	£	£	£	£
Tangible Fixed Assets	505,946	-	505,946	510,555
Current Assets	286,998	21,976	308,974	291,565
Current Liabilities	(11,546)	-	(11,546)	(17,615)
Net Assets at 31 March	<u>781,398</u>	<u>21,976</u>	<u>803,374</u>	<u>784,505</u>

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2023 (Continued)

17. Movements in Funds

Year Ended 31 March 2023	At 1 April 2022 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 March 2023 £
<u>Restricted funds</u>					
Property Fund	3,090	70,923	8,433	-	65,580
National Lottery Community Fund	9,453	-	9,453	-	-
Puddle Lane Trust	1,200	-	1,200	-	-
Foundation Derbyshire	3,833	5,320	11,193	-	(2,040)
HSBC Supporting Community Fund	4,400	-	4,400	-	-
Tesco Community	-	375	-	-	375
Sainsburys	-	500	569	-	(69)
	<u>21,976</u>	<u>77,118</u>	<u>35,248</u>	<u>-</u>	<u>63,846</u>
<u>Unrestricted funds</u>	<u>621,398</u>	<u>305,874</u>	<u>306,562</u>	<u>(498,494)</u>	<u>122,216</u>
Designated Fund					
– expansion of Canaan Trust	160,000	-	-	(110,000)	50,000
Designated Fund – freehold property and fixed assets	-	-	-	608,494	608,494
General Fund	<u>803,374</u>	<u>382,992</u>	<u>341,810</u>	<u>-</u>	<u>844,556</u>

Year Ended 31 March 2022	At 1 April 2021 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 March 2022 £
<u>Restricted funds</u>	-	24,754	2,778	-	21,976
Freehold Property and Fixed Assets					
<u>Unrestricted funds</u>	784,505	292,597	295,704	(160,000)	621,398
Designated Fund					
– expansion of Canaan Trust	-	-	-	160,000	160,000
General Fund	<u>784,505</u>	<u>317,351</u>	<u>298,482</u>	<u>-</u>	<u>803,374</u>

Designated Funds

Expansion of Canaan Trust - The trustees previously set aside from the general fund an amount of £160,000 for the expansion of the Canaan Trust for the future. During the current year £110,000 of this fund was used towards the deposit for the purchase of Aspire House and as such the fund has been re-designated within the Freehold property and fixed asset designated fund.

Freehold Property and Fixed Assets – During the year the Trustees have designated funds representing the net value of freehold property, fixed assets, less any outstanding debt secured against those assets, for maintenance of such assets and the servicing of debts.

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2023 (Continued)

Purpose of Restricted Funds

Property Fund – A new property at 16 Main Street, Long Eaton was purchased by the charity on 5 May 2022 at a cost of £350,000 with funds provided from monies held and a loan from Kingdom Bank of £245,000. Donations from SGC Solicitors, Benefact Trust and The Albert Hunt Trust totalled £70,923, with a remaining balance of £65,579.

Foundation Derbyshire – A total of £1,320 to be spent on business rates and utilities for Derby Road storage. A further £4,000 to be spent on floating support.

Sainsburys – A total of £500 to be spent on floating support.

Tesco Community Grant – A total of £375 for emergency accommodation.

18. Donated Assets

Donation of perishable food from Birds Bakery, Greggs, Tesco and Nando's, – the value is not quantified.

Different churches in Long Eaton hold Harvest Festivals and from those events donations of food are made for the residents of the Charity – these are also shared with the food bank project and other homeless individuals in the locality.

19. Future Capital Commitments

See property fund details in note 17.

20. Negligence Insurance

The Charity hold Trustee Indemnity Insurance during the year which provides cover of up to £250,000.

21. Prior Year Restatement

The balance sheet as at 31 March 2022 has been restated in these accounts as shown on page 10, due to a casting error in the prior year. This restatement has had no impact on the Statement of Financial Activities or the notes to the accounts.

CANAAN TRUST

England & Wales - Charity number 1105657

Accounts

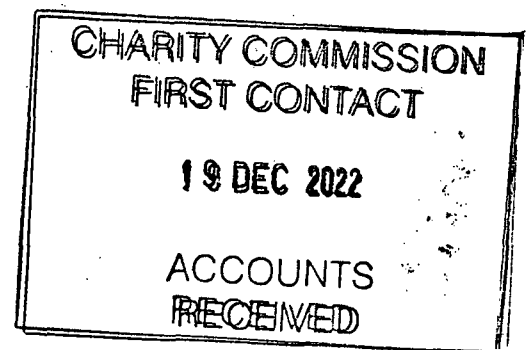
CANAAN TRUST

(A Company Limited by Guarantee)

**UNAUDITED REPORT AND
FINANCIAL STATEMENTS**

for the Year Ended 31 March 2022

**Charity Number 1105657
Company Number 05169595**



Canaan Trust
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2022

The Trustees are pleased to present their annual Director's Report together with the financial statements of the charity for the year ended 31 March 2022 which are also prepared to meet the requirements for a Director's Report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Chairs' Report

The major development to report is the purchase of the house next door to Jordan House, number 16 Main Street. This property has not been used for some time so we have had a "watching brief" on it and as soon as it came on the market we were able to move swiftly into negotiations. Over the last few years we have been building up reserves to expand the work of the Trust so we were able to put down a deposit of £105,000 and negotiate a mortgage of £245,000 with The Kingdom Bank. For the first year this will be repaid as interest only.

As I write this report an architect is drawing up plans as much refurbishment is needed to bring the property up to the required standards as a house of multiple occupancy. When these are agreed we will then invite tenders from builders to complete the works.

Negotiations with Erewash and Broxtowe Councils make it clear there is a need for single female accommodation so we are confident the house will soon operate at full capacity. Whilst this is very positive there are big challenges ahead. We are effectively doubling the size of Canaan Trust which has implications for governance, management and fund raising. We are actively seeking more trustees not only to share the responsibilities but also to reduce the average age profile. We are working with staff to ensure efficient management progression. We will be communicating with our local communities to ensure they are well aware of our plans and to appeal for financial support.

In addition to the expansion of our work with resident clients we are anticipating an increasing demand for our support of clients in the community. The current cost of living crisis threatens an ever increasing number of individuals and families with homelessness. Our staff offer financial advice and support as well as the provision of food parcels. We are very proud that Canaan Trust is here 24/7 to answer appeals for help. There are many challenges ahead to maintain and grow this service but being a Christian based charity we look to the future with Faith confident that we will successfully meet these challenges.

Objects and Activities

The objectives of the charity are the relief of poverty, the advancement of education and the provision of a planned programme of high quality housing related services.

The Trustees have recognised that the wording of the Memorandum and Articles originally adopted do not adequately reflect the work and ethos of the Trust. However, as an Incorporated Charity it is not possible to change the original statement. The Trustees, in consultation with the manager and assistant manager, have adopted an Ethos Statement which we believe sets out in clearer terms the aims and objectives we are working to.

The charity enables and assists vulnerable homeless individuals to establish and maintain greater independence in the community. The charity will provide or assist in the provision of any other facilities, deemed in law, to be exclusively charitable for residents in the Borough of Erewash in the County of Derbyshire and its surrounding boroughs and counties.

Motivated by its Christian ethic, the charity seeks to provide its services fairly, inclusively and diversely to each and every individual who might benefit, while fostering public awareness of homelessness in the community.

Canaan Trust
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2022 - Continued

Achievements and Performance

Whilst nationally Covid restrictions have been lifted the protocols put in place during the height of the pandemic have remained at the Trust to ensure the service provided is not compromised. Despite these precautions individual members of staff and clients have tested positive during the year but not in significant numbers. We are delighted that the Trust has remained operational 24/7 throughout the year.

Many of our usual fundraising activities have recommenced. The Sleep Out returned in April. Attendance was lower than previous years but this is not surprising given the break since the last one. Asda and Tesco have allowed us to hold bucket collections and supported us via their token schemes. We have also benefitted from the Co-Op Community Fund. A number of local groups and schools have held fundraising events for which we are very grateful.

Given the increasing "cashless society" we now have a card machine to accept donations and QR codes also allowing cashless donations.

As Trustees we are very aware of the challenges met by staff recently and the stresses these have caused. We have therefore set up a counselling service which they can access anonymously.

A number of residents have been assisted into their own accommodation during the year. They continue to be supported when required.

Food parcels continue to be distributed. At Christmas 80 individuals and families were given special festive parcels.

Work continues to develop the new website which will go live shortly.

Various maintenance issues have been addressed at both Jordan House and Cranmer Street. Jordan House again passed its HMO inspection.

The Trustees are delighted that the finances have held up over a very difficult couple of years. However we are also aware that a proportion of the reserves have been used for the deposit on number 16 and we are committed to increased efforts to finance the refurbishment and the running of the new house.

If anyone reading this feels able to support us please visit <https://gofundme.com/f/canaan-female-project-2022>.

Public Benefit

Our charitable activities focus not just on the street homeless but also the "hidden homeless" who may be sofa surfing with friends and those threatened with homelessness for whatever reason. Those who are referred to us by local authorities often have a number of issues such as a history of alcohol/drug abuse, offending, learning difficulties, low self esteem. These issues are addressed by providing individual programmes of support, including counselling, and education on a wide range of life skills to equip the clients for independent living as well as support in dealing with external agencies.

Those in the community who arrive at our door often need short term help and advice to overcome a specific issue.

The Trust seeks to embed fair access, fair exit, diversity and inclusion within the culture and performance of its service. All equality and diversity policies and procedures are designed to proactively fulfil the requirements of the current legislation.

Equal access to our services is an important issue for us. We have a constant monitoring process to ensure entry to the project is not discriminatory by disability, religious belief or sexual orientation.

The trustees confirm that they have complied with their duties under section 17 of the 2011 Charities Act with regard to Public Benefit.

Canaan Trust
(A Company Limited by Guarantee)

Trustees' Report for the Year Ended 31 March 2022 - Continued

Financial Review

The attached financial statements show the current state of the finances. The company had incoming resources during the year of £317,351.

The company's revenue reserve unrestricted fund balance is a surplus of £803,374 at 31 March 2022 which is substantially held as property. The company's unrestricted deficit for the year totalled £3,107.

The principal funding sources of rental income from Housing Benefit, together with donations have been used to support the key objectives in achieving the performance as described above.

Investment Powers of Trust

To invest trust money in the purchase of or at interest on the security of such stocks funds shares securities or other investments or property of whatever nature and wherever situated as the Trustees in their absolute discretion think fit to the intent that the Trustees shall have the same full and unrestricted powers of investing and transposing investments as if they were beneficially entitled to the Trust Fund.

Grant Making Policy

At the discretion of the board of Trustees, they may from time to time make donations to other charities which have the same objectives as the Trust.

Fundraising Activities

A variety of activities take place to raise funds for the Charity. All of these funds are used for charitable purposes. The trustees are grateful for all help offered during the year on a voluntary basis.

Reserves Policy

As at 31 March 2022 the total funds of the Trust were £803,374, a substantial amount of this being represented by fixed assets.

The Directors recognise that:-

- a) the Trust's charitable activities are such as to require a significant investment in fixed assets;
- b) the Directors have identified opportunities for refurbishment of buildings and/or for extension of its operations, and funds raised for these purposes are likely to be restricted funds.
- c) The Trust's ordinary income, excluding funds generated from charitable giving, below normal operational expenditure.

The Directors have adopted a policy that unrestricted funds not committed and held by the charity should cover, in the event of being wound up due to lack of funding, sufficient funds to pay current notice and redundancy entitlement and the equivalent of 3 months' running costs. The Directors estimate that £80,000 should be set aside for this purpose.

In addition to this, it is the Directors' intention to hold sufficient funds in reserve to ensure the continuation of current activities for a period of 12 months in the event of a significant drop in charitable or other income to enable appropriate cost reduction measures to be put in place.

**Canaan Trust
(A Company Limited by Guarantee)**

Trustees' Report for the Year Ended 31 March 2022 - Continued

Future Plans

All plans depend on having the financial resources to implement them. To this end the Trustees will continue to work with the management to identify sufficient revenue streams to ensure such plans can be brought to fruition.

Short Term

Refurbish number 16

Employ additional staff for number 16

Identify Grant Making Bodies to help finance the refurbishment

Consult local groups appealing for financial support

Increase efforts to recruit more Trustees

Work with senior staff to ensure management progression.

Medium and Long Term

Monitor staffing levels to ensure the needs of clients are met.

Keep staff salaries under review to ensure staff retention.

Identify partnerships where we can work to mutual advantage.

Canaan Trust
(A Company Limited by Guarantee)

Report of the Trustees for the Year Ended 31 March 2022

Reference and Administrative Information

CHARITY NAME: Canaan Trust

CHARITY REGISTRATION NUMBER: 1105657

COMPANY REGISTRATION NUMBER: 5169595

REGISTERED OFFICE: Cliffe Hill House
22-26 Nottingham Road
Stapleford
Nottingham NG9 8AA

OPERATIONAL ADDRESS: Jordan House
14 Main Street
Long Eaton
Nottingham NG10 1GR

PATRONS: Andrew James

**TRUSTEES OF THE CHARITY
AND DIRECTORS OF THE COMPANY:** Mrs D Ross (Treasurer)
Mr D Gee (chair)
Mr T J Broad
Mr A Goulden
Mr T Jones
Mrs T Hopkins

PROJECT MANAGER: Kevin Curtis
(Responsible for day to day running of project)

ASSISTANT MANAGER: Kate Bassford

COMPANY SECRETARY: Not Appointed

INDEPENDENT EXAMINER: D J Lockwood FCA, FCCA ATT(Fellow)
Chartered Accountant
Haines Watts Nottingham Limited
Cliffe Hill House
22 – 26 Nottingham Road
Stapleford
Nottingham NG9 8AA

BANKERS: The Co-operative Bank PLC
4 – 5 Exchange Walk
Nottingham NG1 2NX

Barclays Bank PLC

SOLICITORS: Ellis-Fermor Negus
35 Derby Road
Long Eaton
Nottingham NG10 1LU

WEBSITE: www.canaan-trust.co.uk

Canaan Trust
(A Company Limited by Guarantee)

Trustees' Report for the Year Ended 31 March 2022

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 2 July 2004 and registered as a charity on 27 August 2004. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound-up members are required to contribute an amount not exceeding £10.

Recruitment and Appointment of Management Committee

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as the Board of Directors. Under the requirements of the Memorandum and Articles of Association one third of the members of the Board of Directors are required to retire from office annually. The Directors to retire by rotation shall be those who have been longest in office since their last appointment. The Trustees appointed represent a number of churches and dominations within the locality.

Formation

Canaan Trust formally commenced operation on the 1 April 2005 when all assets and the operations of The Aspire Trust were transferred to the Canaan Trust by a deed of gift and staff were transferred under TUPE.

Trustee Induction and Training

Any new trustee undergoes an induction process to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making process, the business plan and the recent financial performance of the Charity. During this induction they meet key employees and other trustees. All trustees are actively encouraged to attend appropriate training events that will facilitate the undertaking of their role within the charity.

Risk Management

The Board of Directors has conducted a review of the major risks to which the charity is exposed. A risk register has been established and will be updated annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. The Trust has appointed external advisers for Health and Safety, Human Resources and Information Technology to ensure compliance with current legislation and provide expert advice. Significant external risks to funding have led to the development of a strategic plan which will allow for the diversification of funding and activities. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the project. Monthly reports are produced to monitor Income and Expenditure enabling steps to be taken early to lessen risk. Internal risks are minimised by the implementation of procedures for authorisation of all transactions by at least 2 trustees or 1 trustee and the treasurer. The Treasurer and Project Manager monitor all cash transactions and limits are set for monthly amounts of expenditure.

The Directors monitor the threshold for the guarantee of funds in bank accounts and ensure our reserves are allocated to different accounts to ensure there is no risk to them.

Canaan Trust
(A Company Limited by Guarantee)

Trustees' Report for the Year Ended 31 March 2022 - Continued

Organisational Structure

Canaan Trust has a Board of Directors which meets monthly and is responsible for the strategic direction and policy of the charity. At present the Committee has six members from a variety of professional backgrounds relevant to the work of the charity.

A scheme of delegation is in place and day to day responsibility for the provision of the services rests with the project manager Mr Kevin Curtis. He is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. The Manager has responsibility for the day to day operational management of the Project, individual supervision of the staff team and also ensuring that the team continue to develop their skills and working practices in line with good practice.

Responsibilities of the Trustees

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the management committee should follow best practice and:

- State whether applicable UK accounting standards have been followed; subject to any material departures disclosed and explained in the financial statements.
- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.
- Observe the methods and principles in the Charities SORP.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Board of Directors is 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.

Members of the Management Committee

Members of the Board of Directors who are also trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 5.

Members of the Charitable Company guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2022 was 6 (2021 – 6).

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities in accordance with the Special Provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Board of Directors on (02/11/2022) and signed on its behalf by:

Signature David Gee Mr D Gee (Director and Chair of Board of Trustees)

Canaan Trust
(A Company Limited by Guarantee)
Company Number: 05169595

Independent Examiner's Report to the Trustees of Canaan Trust

I report on the charity trustees on my examination of the accounts of the company for the year ended 31 March 2022.

Responsibilities and Basis of Report

As the charity's trustees of the Company (and also its directors for the purpose of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Since the Company's gross income exceeded £250,000, your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:-

- 1) Accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- 2) The accounts do not accord with those records; or
- 3) The accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirements that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- 4) The accounts have not been prepared in accordance with the methods and principles of the Statement of recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

D. J. Lockwood

.....
D J Lockwood FCA, FCCA, ATT(Fellow)
Chartered Accountant

Dated *3.11.2022*

Haines Watts Nottingham Limited
Cliffe Hill House
22-26 Nottingham Road
Stapleford
Nottingham
NG9 8AA

Canaan Trust
(A Company Limited by Guarantee)

Statement of Financial Activities (including Income and Expenditure Account)
For the year ended 31 March 2022

	Notes	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
Income							
Donations and Legacies	2a	72,567	24,754	97,321	99,278	-	99,278
COVID Support	2b	-	-	-	35,000	-	35,000
Investment Income		457	-	457	1,457	-	1,457
Income from charitable activities:	3						
Rent & Utilities		186,019	-	186,019	175,580	-	175,580
Fundraising		33,544	-	33,544	52,861	-	52,861
Other Income		10	-	10	58	-	58
Total Incoming Resources		292,597	24,754	317,351	364,234	-	364,234
Expenditure							
Raising Funds	4	6,698	-	6,698	6,674	-	6,674
Charitable activities	4	222,597	2,778	225,375	271,493	17,404	288,897
Support Costs	4	66,409	-	66,409	11,566	-	11,566
Total Expenditure		295,704	2,778	298,482	289,733	17,404	307,137
Net income/expenditure and net movement in fund		(3,107)	21,976	18,869	74,501	(17,404)	57,097
Reconciliation of funds							
Total fund balances brought forward 1 April 2021	17	784,505	-	784,505	710,004	17,404	727,408
Total fund balances carried forward 31 March 2022	17	781,398	21,976	803,374	784,505	-	784,505

The statement of financial activities includes all gains and losses in the year.
All incoming resources and resources expended derive from continuing activities.

Canaan Trust
(A Company Limited by Guarantee)

Balance Sheet as at 31 March 2022

	Notes	2022 £	2021 £
Fixed Assets			
Tangible Assets	9	505,946	510,555
Current Assets			
Debtors	14	13,623	11,356
Cash at bank and in hand		<u>295,351</u>	<u>280,209</u>
		<u>308,974</u>	<u>291,565</u>
Creditors: amounts falling due within one year.	15	<u>11,546</u>	<u>17,615</u>
Net Current Assets/(Liabilities)		297,428	273,950
Net Assets		<u>803,374</u>	<u>784,505</u>
Unrestricted funds			
General Funds - General Purposes	17	1,021,398	624,505
Designated Fund – expansion of Canaan Trust ministry		160,000	160,000
Restricted Funds	17	21,976	-
Total Charity Funds	16	<u>803,374</u>	<u>784,505</u>

The Company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ending 31 March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for:

- Ensuring the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006, and
- Preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements, so far as applicable to the company.

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Board of Directors on 02/11/2022 and signed on its behalf by:

Mrs D Ross Treasurer and Trustee/Director Diana Ross

Mr D Gee, Chairman of Directors and Trustee/Director David Gee

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2022

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 and assessment of going concern

The financial statements have been in accordance with the 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 (FRS102) (issued 1st January 2019) – (Charities SORP FRS102). The Financial Reporting Standard applicable in UK and Republic of Ireland (FRS102) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The charity constitutes a public benefit entity as defined by FRS102.

Going Concern

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

The funds of the charity are considered sufficient to sustain the charity during the current pandemic.

The accounts are presented in Sterling £1.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of 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.
- Incoming resources from charitable trading activity are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.
- Interest receivable – Interest on funds held on deposit is included when receivable and the amount can be received reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.
- Legacies are accounted for on a receivable basis when the following conditions have been met.
 - The final estate accounts have been approved
 - The legacy is capable of measurement; and
 - There is no reversionary interest

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2022 - Continued

Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting grants income and donations.
- 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 include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.
- Allocation of Support Costs – Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Trusts programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 4.
- Operating Leases – The charity classifies the lease of photocopiers and mobile phones as operating leases. Rental charges are charged on a straight line basis over the term of the lease.

Tangible Fixed Assets

All fixed assets are capitalised at cost, where considered appropriate to capitalise. Those purchased by specific gifts and grants have been written off fully in the year of gift.

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

Fixture, Fitting and Equipment	-	20% reducing balance
Property	-	No charge for depreciation
Office Equipment	-	25% on cost

No depreciation is charged on land and buildings as the residual value is believed to be higher than historical cost.

Pensions

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. Contributions payable for the year are shown in the statement of financial activities.

Debtors

Debtors are recognised at the settlement amount owed to the Charity or prepaid.

Creditors

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.

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2022 - Continued

Financial Instruments

The Charity 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

Taxation

The Charity is exempt from tax on its charitable activities. The Charity also rents its rooms to other local children's activities which satisfy the objectives of the Charity. The Trustees have reviewed the Charity's trading activities and are confident that they further the Charity's aims and, as such, are considered to be primary purpose trading.

Judgement and Key Sources of Estimation Uncertainty

The preparation of accounts using generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the accounts and the reported amounts of revenues and expenses during the reporting period.

The key estimates and assumptions used in the Financial Statements are detailed in the accounting policies.

Fund Balances

Unrestricted Funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the Charity without further specified purpose and are available as general funds.

Designated funds

Designated funds are unrestricted funds earmarked by the management committee for particular purposes.

Restricted Funds

Restricted funds are to be used for specific purposes as laid down by the donor and are subjected to restrictions of their expenditure imposed by the donor or through the terms of an appeal.

Legal Status of the Trust

The Trust is a company limited by guarantee and has no share capital: the liability of each member in the event of winding up is limited to £10.

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2022 - Continued

2a. Donations and Legacies

	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Derbyshire County Council	1,700	-	1,700	-
Co-Op Community Fund	2,556	-	2,556	-
National Lottery Community Fund	-	9,696	9,696	-
The Sage Trust	-	-	-	2,000
Puddle Lane Trust	-	2,968	2,968	-
Breaston PPCC	2,200	-	2,200	2,000
Erewash Borough Council - small grant	125	-	125	1,000
Foundation Derbyshire	-	4,000	4,000	9,300
Neighbourhood Foundation	1,000	-	1,000	-
EVA	-	-	-	2,000
Morison Foundation	-	-	-	3,000
Sainsburys	1,846	-	1,846	-
Derby City Mission	14,250	-	14,250	-
Groundwork UK	1,125	-	1,125	-
Alplat Foundation	-	-	-	3,000
Long Eaton United	-	-	-	5,000
General Donations (including Gift Aid)	45,765	-	45,765	71,978
Giving for new property	-	3,090	3,090	-
Long Eaton Rotary	1,000	-	1,000	-
Asda Foundation	1,000	-	1,000	-
HSBC Supporting Communities Fund	-	5,000	5,000	-
	72,567	24,754	97,321	99,278

2b. COVID Support

	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Erewash Borough Council	-	-	-	20,000
CAF Resilience Fund	-	-	-	15,000
	-	-	-	35,000

3. Income from Charitable Activities

	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Utility Income	10,695	-	10,695	6,977
Rent				
Housing Benefit	175,324	-	175,324	168,603
	186,019	-	186,019	175,580

Trustee giving during the year totalled £126 (2021: £150).

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2022 - Continued

4. Expenditure

	Basis of Allocation	Raising Funds	Rental income and grant income	Support Costs	2022 Total	2021 Total
Costs directly allocated to activities	£	£	£	£	£	£
Staff Costs	Direct	-	155,042	57,352	212,394	207,905
Rent, Rates and Water	Usage	-	7,359	-	7,359	8,440
Heat, Light, Power	Usage	-	7,152	-	7,152	7,683
Travel and Staff Expenses	Direct	-	3,234	32	3,266	2,424
Insurance	Direct	-	4,036	-	4,036	3,886
Cleaning/Housekeeping	Direct	-	2,133	237	2,370	4,720
Residents Expenses	Direct	-	5,874	-	5,874	13,129
Training Costs	Direct	-	356	-	356	1,494
Property Maintenance	Direct	-	4,419	-	4,419	10,423
Healthy Living costs	Direct	-	953	-	953	897
Consultancy Fees and DBS Checks	Direct	-	9,964	-	9,964	7,437
Professional Fees - (New property purchase)	Direct	-	2,346	-	2,346	-
		-	202,868	57,621	260,489	268,438
Support costs allocated to activities						
Fundraising Costs		804	-	-	804	661
Stationery, photocopier and office costs	Usage	1,176	2,351	1,176	4,703	3,393
Office Equipment and Maintenance Costs	Usage	1,684	3,368	1,684	6,736	9,899
Computer Expenses	Usage	2,504	5,007	2,504	10,015	8,955
Telephone, Mobile and Broadband	Usage	229	3,436	917	4,582	4,441
Sundry Expenses	Usage	152	76	153	381	288
Charitable Giving	Direct	-	2,100	-	2,100	2,100
Bank Charges	Usage	149	148	148	445	344
Accounting and Payroll	Direct	-	3,256	362	3,618	3,772
Depreciation	Usage	-	2,765	1,844	4,609	4,846
		6,698	22,507	8,788	37,993	38,699
Total Resources Expended		6,698	225,375	66,409	298,482	307,137

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2022 - Continued

5. Net Incoming Resources for the year

This is stated after charging

	2022 £	2021 £
Depreciation	4,609	4,846
Reporting Accountants Fee	1,890	2,040
Payroll Preparation Fees	1,728	1,732

6. Staff Costs and Numbers

	£	£
Salaries	193,156	190,542
Pension Costs	8,237	7,204
Employers National Insurance	10,201	10,159
	<u>212,394</u>	<u>207,905</u>

Average number of paid full and part time employees in the year	16*	16
---	-----	----

*7 within the pension scheme

The cost for employee's are partly charged to support costs. The others are included in charitable activities. (note 4)

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

Total remuneration of key management personnel in the year was £75,949 (2021: £70,953).

7. Trustee Remuneration and Related Party Transactions

No emoluments were received by the Trustees either in their capacities as Trustees or as members of the Board of Trustees. There were no other emoluments or expenses paid to any other Charity trustee, or persons connected with such a trustee directly or indirectly from the funds of the Charity or from the property of any body connected with the Charity. The wife of a Trustee now works on a part time basis for the charity. She is paid at a rate that is in line with other staff members and the appointment was approved by all trustees. There are no other related party transactions.

8. Taxation

As a Charity, Canaan Trust is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2022 - Continued

9. Tangible Fixed Assets

	Land and Buildings £	Office Equipment £	Fixtures and Equipment £	Van £	Total £
Cost					
Brought forward	500,852	5,796	21,702	17,779	546,129
Additions	-	-	-	-	-
At 31 March 2022	<u>500,852</u>	<u>5,796</u>	<u>21,702</u>	<u>17,779</u>	<u>546,129</u>
Depreciation					
Brought forward	-	5,796	20,890	8,888	35,574
Charge for the year	-	-	163	4,446	4,609
At 31 March 2022	<u>-</u>	<u>5,796</u>	<u>21,053</u>	<u>13,334</u>	<u>40,183</u>
Net Book Value					
At 31 March 2022	<u>500,852</u>	<u>-</u>	<u>649</u>	<u>4,445</u>	<u>505,946</u>
At 31 March 2021	<u>500,852</u>	<u>-</u>	<u>812</u>	<u>8,891</u>	<u>510,555</u>

There were no tangible assets donated during the year that were capitalised and all assets are held for the furtherance of the Charity's objectives.

10. Financial Commitments

The Charity has the following commitments:

- An annual commitment to pay a photocopier and printer lease. The annual lease charge payable is £971.68.
- A commitment to the current insurance company for premiums of at least £3,644 per annum until April 2022.

11. Pension Commitments

The Charity operates a defined contribution pension scheme administered by Standard Life. The assets are held separate from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £8,237 (2021: £7,204).

12. Donations paid during the year were as follows:-

	£ 2022	£ 2021
The Footprints Family	2,100	2,100
	<u>2,100</u>	<u>2,100</u>

13. Negligence Insurance

The Charity hold Trustee Indemnity Insurance and paid a premium of £329 during the year which provides cover of up to £250,000.

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2022 (Continued)

14. Debtors

	2022	2021
	£	£
Trade Debtors	9,690	6,654
Other Debtors and Prepayments	3,933	4,702
	<u>13,623</u>	<u>11,356</u>

15. Creditors: Amounts falling due in one year

	2022	2021
	£	£
Trade Creditors	1,126	2,963
Taxation and Social Security	3,829	4,316
Other Creditors and Accruals	6,591	10,336
	<u>11,546</u>	<u>17,615</u>

Previously the Bank held security for the loan in the form of first and only legal charge over Jordan House, 16 Main Street, and a charge over all unfixed plant, machinery and other assets and equipment at the property.

16. Analysis of Net Assets between funds

Year Ended 31 March 2022	General Fund £	Restricted Fund £	Total Funds 2022 £	Total 2021 £
Tangible Fixed Assets	505,946	-	505,946	510,555
Current Assets	286,998	21,976	308,974	291,565
Current Liabilities	(11,546)	-	(11,546)	(17,615)
Net Assets at 31 March 2022	<u>781,398</u>	<u>21,976</u>	<u>803,374</u>	<u>784,505</u>

Year Ended 31 March 2021	General Fund £	Restricted Fund £	Total Funds 2021 £	Total 2020 £
Tangible Fixed Assets	510,555	-	510,555	515,401
Current Assets	291,565	-	291,565	222,451
Current Liabilities	(17,615)	-	(17,615)	(10,444)
Net Assets at 31 March 2021	<u>784,505</u>	<u>-</u>	<u>784,505</u>	<u>727,408</u>

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2022 (Continued)

17. Movements in Funds

Year Ended 31 March 2022	At 1 April 2021 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 March 2022 £
<u>Restricted funds</u>					
Property Fund	-	3,090	-	-	3,090
National Lottery Community Fund	-	9,696	243	-	9,453
Puddle Lane Trust	-	2,968	1,768	-	1,200
Foundation Derbyshire	-	4,000	167	-	3,833
HSBC Supporting Community Fund	-	5,000	600	-	4,400
	-	24,754	2,778	-	21,976
<u>Unrestricted funds</u>	784,505	292,597	295,704	-	781,398
General Fund	784,505	317,351	298,482	-	803,374

Year Ended 31 March 2021	At 1 April 2020 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 March 2021 £
<u>Restricted funds</u>	17,404	-	17,404	-	-
<u>Unrestricted funds</u>	710,004	364,234	289,733	-	784,505
General Fund	727,408	364,234	307,137	-	784,505

Designated Funds

During the year the trustees set aside from the general fund, an amount of £160,000 for the expansion of the Canaan Trust ministry for the future.

Purpose of Restricted Funds

Property Fund – A new property at 16 Main Street, Long Eaton was purchased by the charity on 5 May 2022 at a cost of £350,000 with funds provided from monies held and a loan from Kingdom Bank of £245,000. Donations from individuals for the purchase, made before the year end date totalled £3,090.00 and are carried forward at the year end date.

National Lottery Community Fund – A total of £9,696 for the purchase of laptops and expenditure on the charities website, an amount of £243 spent in the year, a balance of £9,453 to carry forward.

Puddle Lane Trust – A total of £2,968. Amount of £968 for legal fees for the property spent in the year. A further balance of £2,000 for food vouchers, £800 spent in the year, leaving a balance to carry forward of £1,200.

Foundation Derbyshire – A total of £4,000 to be spent on floating support and winter hampers. An amount of £107 spent in the year, a balance of £3,833 to carry forward.

HSBC Supporting Community Fund – A total of £5,000 to be spent on bike repairs, emergency accommodation for floating support, meeting facilities and mobile phones. A total of £600 spent in the year, a balance of £4,400 to carry forward.

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2022 (Continued)

18. Donated Assets

Donation of perishable food from Birds Bakery, Greggs, Tesco and Nando's, – the value is not quantified.

Different churches in Long Eaton hold Harvest Festivals and from those events donations of food are made for the residents of the Charity – these are also shared with the food bank project and other homeless individuals in the locality.

19. Future Capital Commitments

See property fund details in note 17.

CANAAN TRUST

England & Wales - Charity number 1105657

Accounts

CANAAN TRUST

(A Company Limited by Guarantee)

**UNAUDITED REPORT AND
FINANCIAL STATEMENTS**

for the Year Ended 31 March 2021

**Charity Number 1105657
Company Number 05169595**

Canaan Trust
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2021

The Trustees are pleased to present their annual Director's Report together with the financial statements of the charity for the year ended 31 March 2021 which are also prepared to meet the requirements for a Director's Report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Chairs' Report

The past year has been dominated by the Covid pandemic. Financially all our regular fundraising activities were cancelled which could have had disastrous consequences, however Kevin Curtis, our manager, performed amazingly in researching, identifying and applying for every possible grant on offer from Central Government, Local Authorities and the Business Community. This has resulted in our income being very similar to previous years.

Very strict protocols have been in place with both houses being in lockdown. A physical barrier was put in place across the door of Jordan House to ensure social distancing from any caller. Visitors were not allowed in. Staff were split into two separate teams on site at different times so that if a case of Covid was identified only half the staff needed to isolate. Regular testing of staff and clients took place. Strict cleaning regimes were maintained. Despite these efforts there was one occasion when two members of staff tested positive and Jordan House had to be closed for 10 days. Some clients found alternative accommodation with friends, those that couldn't were housed at the Novotel in Long Eaton, at a specially negotiated rate. Volunteers kept in contact with them, delivering food parcels and ensuring their needs were met. The phones were diverted to the manager's mobile number so all requests for help were still met.

All Trustee meetings were held on Zoom.

The Trustees wish to place on record their very grateful thanks to all the staff for their amazing response to such challenging circumstances. They have all gone "over and above" to ensure clients are kept safe and their needs continue to be met.

As regulations are relaxed I can report that all staff have been vaccinated and all resident clients offered at least one jab. Efforts do continue to keep the Trust Covid secure.

We look forward to being able to return to "normal" and pursue our plans to expand the work of the Trust to meet what is inevitably going to be a growing demand on our services.

Objects and Activities

The objectives of the charity are the relief of poverty, the advancement of education and the provision of a planned programme of high quality housing related services.

The Trustees have recognised that the wording of the Memorandum and Articles originally adopted do not adequately reflect the work and ethos of the Trust. However, as an Incorporated Charity it is not possible to change the original statement. The Trustees, in consultation with the manager and assistant manager, have adopted an Ethos Statement which we believe sets out in clearer terms the aims and objectives we are working to.

The charity enables and assists vulnerable homeless individuals to establish and maintain greater independence in the community. The charity will provide or assist in the provision of any other facilities, deemed in law, to be exclusively charitable for residents in the Borough of Erewash in the County of Derbyshire and its surrounding boroughs and counties.

Motivated by its Christian ethic, the charity seeks to provide its services fairly, inclusively and diversely to each and every individual who might benefit, while fostering public awareness of homelessness in the community.

Canaan Trust
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2021 - Continued

Achievements and Performance

The greatest achievement is survival! This has been the most challenging of years, so many plans have simply been put on hold and all efforts directed at keeping staff and clients safe, however other achievements can be reported.

The work of the Trust in Erewash has been recognised by the receipt of the Mayor of Erewash Award.

Over the last few years the work of the Trust has developed in supporting many more clients in the community. It is estimated that this work now takes 50% of staff time. We are seeing families escaping Domestic Violence, those threatened with redundancy, those furloughed who have 80% of income. These clients have all been helped directly, or indirectly by being signposted to other relevant agencies.

Between 60 and 80 food parcels are distributed each week but additionally this year a special effort was made at Christmas. The usual Christmas Dinner in the Community could not take place so sponsorship was sought from local organisations to put together parcels of food and gifts. Approximately 200 individuals and families received them and the Trustees are very grateful to those who donated and those who volunteered to put the parcels together.

Last year we reported that Dean Anderson had written a book on the origins of the Trust and was donating proceeds from the first print run. As lockdown eased these proceeds were used to replace carpets and curtains in the residents' rooms.

The CCTV systems at Jordan House and Cranmer Street have been upgraded.

The roof of the Manna has been repaired.

The HMO licence has been renewed.

All staff attended a First Aid at Work course under Covid secure conditions.

Despite the usual fundraisers being cancelled many individuals have continued to give financial support either by regular donations or undertaking special challenges. We give huge thanks to all those who support us so well.

Public Benefit

Our charitable activities focus not just on the street homeless but also the "hidden homeless" who may be sofa surfing with friends and those threatened with homelessness for whatever reason. Those who are referred to us by local authorities often have a number of issues such as a history of alcohol/drug abuse, offending, learning difficulties, low self esteem. These issues are addressed by providing individual programmes of support, including counselling, and education on a wide range of life skills to equip the clients for independent living as well as support in dealing with external agencies.

Those in the community who arrive at our door often need short term help and advice to overcome a specific issue.

The Trust seeks to embed fair access, fair exit, diversity and inclusion within the culture and performance of its service. All equality and diversity policies and procedures are designed to proactively fulfil the requirements of the current legislation.

Equal access to our services is an important issue for us. We have a constant monitoring process to ensure entry to the project is not discriminatory by disability, religious belief or sexual orientation.

The trustees confirm that they have complied with their duties under section 17 of the 2011 Charities Act with regard to Public Benefit.

Canaan Trust
(A Company Limited by Guarantee)

Trustees' Report for the Year Ended 31 March 2021 - Continued

Financial Review

The attached financial statements show the current state of the finances. The company had incoming resources during the year of £364,234.

The company's revenue reserve unrestricted fund balance is a surplus of £784,505 at 31 March 2021 which is substantially held as property. The company's unrestricted surplus for the year totalled £74,501.

The principal funding sources of rental income from Housing Benefit, together with donations have been used to support the key objectives in achieving the performance as described above.

Investment Powers of Trust

To invest trust money in the purchase of or at interest on the security of such stocks funds shares securities or other investments or property of whatever nature and wherever situated as the Trustees in their absolute discretion think fit to the intent that the Trustees shall have the same full and unrestricted powers of investing and transposing investments as if they were beneficially entitled to the Trust Fund.

Grant Making Policy

At the discretion of the board of Trustees, they may from time to time make donations to other charities which have the same objectives as the Trust. During the year the charity continued to donate regular donations to 'Footprints Orphanage', a charity with similar charitable aims, of which Kevin Curtis, Manager of the Charity, is Trustee.

Fundraising Activities

A variety of activities take place to raise funds for the Charity. All of these funds are used for charitable purposes. The trustees are grateful for all help offered during the year on a voluntary basis.

Reserves Policy

As at 31 March 2021 the total funds of the Trust were £784,505, a substantial amount of this being represented by fixed assets.

The Directors recognise that:-

- a) the Trust's charitable activities are such as to require a significant investment in fixed assets;
- b) the Directors have identified opportunities for refurbishment of buildings and/or for extension of its operations, and funds raised for these purposes are likely to be restricted funds.
- c) The Trust's ordinary income, excluding funds generated from charitable giving, below normal operational expenditure.

The Directors have adopted a policy that unrestricted funds not committed and held by the charity should cover, in the event of being wound up due to lack of funding, sufficient funds to pay current notice and redundancy entitlement and the equivalent of 3 months' running costs. The Directors estimate that £80,000 should be set aside for this purpose.

In addition to this, it is the Directors' intention to hold sufficient funds in reserve to ensure the continuation of current activities for a period of 12 months in the event of a significant drop in charitable or other income to enable appropriate cost reduction measures to be put in place.

Canaan Trust
(A Company Limited by Guarantee)

Trustees' Report for the Year Ended 31 March 2021 - Continued

Future Plans

All plans depend on having the financial resources to implement them. To this end the Trustees will continue to work with the management to identify sufficient revenue streams to ensure such plans can be brought to fruition.

Short Term

We will employ additional staff to respond to the increase in community work.

We will explore partnerships with other local groups, e.g. Bundles of Hope, to improve the support given to individuals and give a town centre presence.

We will continue to develop skills and structures to ensure smooth management progression.

We will continue our search to identify individuals interested in joining the Trustees.

Long Term

If suitable premises should become available we will consider expanding our property portfolio to meet identified needs.

We will monitor staffing levels to ensure the needs of clients are met.

We will continue to identify partnerships

Canaan Trust
(A Company Limited by Guarantee)

Report of the Trustees for the Year Ended 31 March 2021

Reference and Administrative Information

CHARITY NAME:	Canaan Trust
CHARITY REGISTRATION NUMBER:	1105657
COMPANY REGISTRATION NUMBER:	5169595
REGISTERED OFFICE:	Cliffe Hill House 22-26 Nottingham Road Stapleford Nottingham NG9 8AA
OPERATIONAL ADDRESS:	Jordan House 14 Main Street Long Eaton Nottingham NG10 1GR
PATRONS:	Andrew James
TRUSTEES OF THE CHARITY AND DIRECTORS OF THE COMPANY:	Mrs D Ross (Treasurer) Mr D Gee (chair) Mr T J Broad Mr A Goulden Mr T Jones Mrs T Hopkins
PROJECT MANAGER: (Responsible for day to day running of project)	Kevin Curtis
ASSISTANT MANAGER:	Kate Bassford
COMPANY SECRETARY:	Not Appointed
INDEPENDENT EXAMINER:	D J Lockwood FCA, FCCA ATT(Fellow) Chartered Accountant Haines Watts Nottingham Limited Cliffe Hill House 22 – 26 Nottingham Road Stapleford Nottingham NG9 8AA
BANKERS:	The Co-operative Bank PLC 4 – 5 Exchange Walk Nottingham NG1 2NX Barclays Bank PLC
SOLICITORS:	Ellis-Fermor Negus 35 Derby Road Long Eaton Nottingham NG10 1LU
WEBSITE:	www.canaan-trust.co.uk

Canaan Trust
(A Company Limited by Guarantee)

Trustees' Report for the Year Ended 31 March 2021

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 2 July 2004 and registered as a charity on 27 August 2004. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound-up members are required to contribute an amount not exceeding £10.

Recruitment and Appointment of Management Committee

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as the Board of Directors. Under the requirements of the Memorandum and Articles of Association one third of the members of the Board of Directors are required to retire from office annually. The Directors to retire by rotation shall be those who have been longest in office since their last appointment. The Trustees appointed represent a number of churches and dominations within the locality.

Formation

Canaan Trust formally commenced operation on the 1 April 2005 when all assets and the operations of The Aspire Trust were transferred to the Canaan Trust by a deed of gift and staff were transferred under TUPE.

Trustee Induction and Training

Any new trustee undergoes an induction process to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making process, the business plan and the recent financial performance of the Charity. During this induction they meet key employees and other trustees. All trustees are actively encouraged to attend appropriate training events that will facilitate the undertaking of their role within the charity.

Risk Management

The Board of Directors has conducted a review of the major risks to which the charity is exposed. A risk register has been established and will be updated annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. The Trust has appointed external advisers for Health and Safety, Human Resources and Information Technology to ensure compliance with current legislation and provide expert advice. Significant external risks to funding have led to the development of a strategic plan which will allow for the diversification of funding and activities. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the project. Monthly reports are produced to monitor Income and Expenditure enabling steps to be taken early to lessen risk. Internal risks are minimised by the implementation of procedures for authorisation of all transactions by at least 2 trustees or 1 trustee and the treasurer. The Treasurer and Project Manager monitor all cash transactions and limits are set for monthly amounts of expenditure.

The Directors monitor the threshold for the guarantee of funds in bank accounts and ensure our reserves are allocated to different accounts to ensure there is no risk to them.

Canaan Trust
(A Company Limited by Guarantee)

Trustees' Report for the Year Ended 31 March 2021 - Continued

Organisational Structure

Canaan Trust has a Board of Directors which meets monthly and is responsible for the strategic direction and policy of the charity. At present the Committee has six members from a variety of professional backgrounds relevant to the work of the charity.

A scheme of delegation is in place and day to day responsibility for the provision of the services rests with the project manager Mr Kevin Curtis. He is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. The Manager has responsibility for the day to day operational management of the Project, individual supervision of the staff team and also ensuring that the team continue to develop their skills and working practices in line with good practice.

Responsibilities of the Trustees

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the management committee should follow best practice and:

- State whether applicable UK accounting standards have been followed; subject to any material departures disclosed and explained in the financial statements.
- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.
- Observe the methods and principles in the Charities SORP.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Board of Directors is 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.

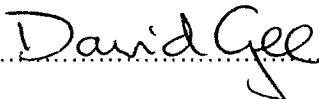
Members of the Management Committee

Members of the Board of Directors who are also trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 5.

Members of the Charitable Company guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2021 was 6 (2020 – 6).

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities in accordance with the Special Provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Board of Directors on (29/9/2021) and signed on its behalf by:

Signature  Mr D Gee (Director and Chair of Board of Trustees)

Canaan Trust
(A Company Limited by Guarantee)
Company Number: 05169595

Independent Examiner's Report to the Trustees of Canaan Trust

I report on the charity trustees on my examination of the accounts of the company for the year ended 31 March 2021.

Responsibilities and Basis of Report

As the charity's trustees of the Company (and also its directors for the purpose of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:-

- 1) Accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- 2) The accounts do not accord with those records; or
- 3) The accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirements that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- 4) The accounts have not been prepared in accordance with the methods and principles of the Statement of recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

D. J. Lockwood
D J Lockwood FCA, FCCA, ATT(Fellow)
Chartered Accountant

Dated 4.10.2021

Haines Watts Nottingham Limited
Cliffe Hill House
22-26 Nottingham Road
Stapleford
Nottingham
NG9 8AA

Canaan Trust
(A Company Limited by Guarantee)

Statement of Financial Activities (including Income and Expenditure Account)
For the year ended 31 March 2021

	Notes	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Income							
Donations and Legacies	2a	99,278	-	99,278	97,550	32,144	129,694
COVID Support	2b	35,000	-	35,000	-	-	-
Investment Income		1,457	-	1,457	1,146	-	1,146
Income from charitable activities:	3						
Rent & Utilities		175,580	-	175,580	191,418	-	191,418
Fundraising		52,861	-	52,861	3,148	-	3,148
Other Income		58	-	58	14	-	14
Total Incoming Resources		<u>364,234</u>	<u>-</u>	<u>364,234</u>	<u>293,276</u>	<u>32,144</u>	<u>325,420</u>
Expenditure							
Raising Funds	4	6,674	-	6,674	6,599	-	6,599
Charitable activities	4	271,493	17,404	288,897	247,680	17,740	265,420
Support Costs	4	11,566	-	11,566	29,165	-	29,165
Total Expenditure		<u>289,733</u>	<u>17,404</u>	<u>307,137</u>	<u>283,444</u>	<u>17,740</u>	<u>301,184</u>
Net income/expenditure and net movement in fund		74,501	(17,404)	57,097	9,832	14,404	24,236
Reconciliation of funds							
Total fund balances brought forward 1 April 2020	17	<u>710,004</u>	<u>17,404</u>	<u>727,408</u>	<u>700,172</u>	<u>3,000</u>	<u>703,172</u>
Total fund balances carried forward 31 March 2021	17	<u>784,505</u>	<u>-</u>	<u>784,505</u>	<u>710,004</u>	<u>17,404</u>	<u>727,408</u>

The statement of financial activities includes all gains and losses in the year.
All incoming resources and resources expended derive from continuing activities.

Canaan Trust
(A Company Limited by Guarantee)

Balance Sheet as at 31 March 2021

	Notes	£	2021	£	£	2020	£
Fixed Assets							
Tangible Assets	9			510,555			515,401
Current Assets							
Debtors	14		11,356			12,268	
Cash at bank and in hand			280,209			210,183	
			<u>291,565</u>			<u>222,451</u>	
Creditors: amounts falling due within one year.	15		<u>17,615</u>			<u>10,444</u>	
Net Current Assets/(Liabilities)				273,950			212,007
Net Assets				<u>784,505</u>			<u>727,408</u>
Unrestricted funds							
General Funds - General Purposes	17			624,505			710,004
Designated Fund – expansion of Canaan Trust ministry				160,000			-
Restricted Funds	17			-			17,404
Total Charity Funds	16			<u>784,505</u>			<u>727,408</u>

The Company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ending 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for:

- Ensuring the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006, and
- Preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements, so far as applicable to the company.

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Board of Directors on 29/9/21 and signed on its behalf by:

Mrs D Ross Treasurer and Trustee/Director Diana Ross

Mr D Gee, Chairman of Directors and Trustee/Director David Gee

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 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 and assessment of going concern

The financial statements have been in accordance with the 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 (FRS102) (issued 1st January 2019) – (Charities SORP FRS102). The Financial Reporting Standard applicable in UK and Republic of Ireland (FRS102) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The charity constitutes a public benefit entity as defined by FRS102.

Going Concern

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

The funds of the charity are considered sufficient to sustain the charity during the current pandemic.

The accounts are presented in Sterling £1.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of 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.
- Incoming resources from charitable trading activity are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.
- Interest receivable – Interest on funds held on deposit is included when receivable and the amount can be received reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.
- Legacies are accounted for on a receivable basis when the following conditions have been met.
 - The final estate accounts have been approved
 - The legacy is capable of measurement; and
 - There is no reversionary interest

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2021 - Continued

Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting grants income and donations.
- 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 include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.
- Allocation of Support Costs – Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Trusts programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 4.
- Operating Leases – The charity classifies the lease of photocopiers and mobile phones as operating leases. Rental charges are charged on a straight line basis over the term of the lease.

Tangible Fixed Assets

All fixed assets are capitalised at cost, where considered appropriate to capitalise. Those purchased by specific gifts and grants have been written off fully in the year of gift.

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

Fixture, Fitting and Equipment	-	20% reducing balance
Property	-	No charge for depreciation
Office Equipment	-	25% on cost

No depreciation is charged on land and buildings as the residual value is believed to be higher than historical cost.

Pensions

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. Contributions payable for the year are shown in the statement of financial activities.

Debtors

Debtors are recognised at the settlement amount owed to the Charity or prepaid.

Creditors

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.

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2021 - Continued

Financial Instruments

The Charity 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

Taxation

The Charity is exempt from tax on its charitable activities. The Charity also rents its rooms to other local children's activities which satisfy the objectives of the Charity. The Trustees have reviewed the Charity's trading activities and are confident that they further the Charity's aims and, as such, are considered to be primary purpose trading.

Judgement and Key Sources of Estimation Uncertainty

The preparation of accounts using generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the accounts and the reported amounts of revenues and expenses during the reporting period.

The key estimates and assumptions used in the Financial Statements are detailed in the accounting policies.

Fund Balances

Unrestricted Funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the Charity without further specified purpose and are available as general funds.

Designated funds

Designated funds are unrestricted funds earmarked by the management committee for particular purposes.

Restricted Funds

Restricted funds are to be used for specific purposes as laid down by the donor and are subjected to restrictions of their expenditure imposed by the donor or through the terms of an appeal.

Legal Status of the Trust

The Trust is a company limited by guarantee and has no share capital: the liability of each member in the event of winding up is limited to £10.

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2021 - Continued

2a. Donations and Legacies

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Roy Theobald Trust	-	-	-	17,000
The Sage Trust	2,000	-	2,000	1,000
Puddle Lane Trust	-	-	-	6,000
Breaston PPCC	2,000	-	2,000	2,000
Erewash Borough Council - small grant	1,000	-	1,000	-
Derbyshire Community Community Concern	9,300 -	- -	9,300 -	- 2,600
EVA	2,000	-	2,000	-
Morison Foundation	3,000	-	3,000	-
EMH Homes	-	-	-	2,167
CPD Trust	-	-	-	9,144
Trent Parents Association	-	-	-	2,000
Alplat Foundation	3,000	-	3,000	-
Long Eaton United	5,000	-	5,000	-
General Donations (including Gift Aid)	71,978	-	71,978	87,783
	99,278	-	99,278	129,694

2b. COVID Support

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Erewash Borough Council	20,000	-	20,000	-
CAF Resilience Fund	15,000	-	15,000	-
	35,000	-	35,000	-

3. Income from Charitable Activities

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Utility Income	6,977	-	6,977	10,355
Rent				
Housing Benefit	168,603	-	168,603	181,063
	175,580	-	175,580	191,418

Trustee giving during the year totalled £150 (2020: £252).

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2021 - Continued

4. Expenditure

	Basis of Allocation	Raising Funds	Rental income and grant income	Support Costs	2021 Total	2020 Total
Costs directly allocated to activities	£	£	£	£	£	£
Staff Costs	Direct	-	205,826	2,079	207,905	203,279
Rent, Rates and Water	Usage	-	8,440	-	8,440	4,154
Heat, Light, Power	Usage	-	7,683	-	7,683	7,948
Travel and Staff Expenses	Direct	-	2,403	21	2,424	3,016
Insurance	Direct	-	3,886	-	3,886	3,787
Cleaning/Housekeeping	Direct	-	4,248	472	4,720	5,315
Residents Expenses	Direct	-	13,129	-	13,129	6,607
Training Costs	Direct	-	1,494	-	1,494	5,333
Property Maintenance	Direct	-	10,423	-	10,423	17,725
Healthy Living costs	Direct	-	897	-	897	1,446
Consultancy Fees	Direct	-	7,437	-	7,437	5,531
Professional Fees	Direct	-	-	-	-	-
		-	265,866	2,572	268,438	264,141
Support costs allocated to activities						
Fundraising Costs		661	-	-	661	1,417
Stationery, photocopier and office costs	Usage	848	1,697	848	3,393	4,664
Office Equipment and Maintenance Costs	Usage	2,474	4,951	2,474	9,899	5,011
Computer Expenses	Usage	2,239	4,477	2,239	8,955	9,167
Telephone, Mobile and Broadband	Usage	222	3,331	888	4,441	4,500
Sundry Expenses	Usage	115	57	116	288	327
Charitable Giving	Direct	-	2,100	-	2,100	2,300
Bank Charges	Usage	115	115	114	344	345
Accounting and Payroll	Direct	-	3,395	377	3,772	4,352
Depreciation	Usage	-	2,908	1,938	4,846	4,960
		6,674	23,031	8,994	38,699	37,043
Total Resources Expended		6,674	288,897	11,566	307,137	301,184

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2021 - Continued

5. Net Incoming Resources for the year

This is stated after charging

	2021	2020
	£	£
Depreciation	4,846	4,960
Reporting Accountants Fee	2,040	2,789
Payroll Preparation Fees	1,732	1,563

6. Staff Costs and Numbers

	£	£
Salaries	190,542	182,868
Pension Costs	7,204	9,350
Employers National Insurance	10,159	11,061
	<u>207,905</u>	<u>203,279</u>

Average number of paid full and part time employees in the year	16	14
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The cost of one employee is partly charged to support costs. The others are included in charitable activities. (note 4)

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

Total remuneration of key management personnel in the year was £70,953 (2020: £66,735).

7. Trustee Remuneration and Related Party Transactions

No emoluments were received by the Trustees either in their capacities as Trustees or as members of the Board of Trustees. There were no other emoluments or expenses paid to any other Charity trustee, or persons connected with such a trustee directly or indirectly from the funds of the Charity or from the property of any body connected with the Charity. There are no other related party transactions.

8. Taxation

As a Charity, Canaan Trust is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2021 - Continued

9. Tangible Fixed Assets

	Land and Buildings £	Office Equipment £	Fixtures and Equipment £	Van £	Total £
Cost					
Brought forward	500,852	5,796	21,702	17,779	546,129
Additions	-	-	-	-	-
At 31 March 2021	<u>500,852</u>	<u>5,796</u>	<u>21,702</u>	<u>17,779</u>	<u>546,129</u>
Depreciation					
Brought forward	-	5,597	20,687	4,444	30,728
Charge for the year	-	199	203	4,444	4,846
At 31 March 2021	<u>-</u>	<u>5,796</u>	<u>20,890</u>	<u>8,888</u>	<u>35,574</u>
Net Book Value					
At 31 March 2020	<u>500,852</u>	<u>199</u>	<u>1,015</u>	<u>13,335</u>	<u>515,401</u>
At 31 March 2021	<u>500,852</u>	<u>-</u>	<u>812</u>	<u>8,891</u>	<u>510,555</u>

There were no tangible assets donated during the year that were capitalised and all assets are held for the furtherance of the Charity's objectives.

10. Financial Commitments

The Charity has the following commitments:

- An annual commitment to pay a photocopier and printer lease. The annual lease charge payable is £971.68.
- A commitment to the current insurance company for premiums of at least £3,644 per annum until April 2022.

11. Pension Commitments

The Charity operates a defined contribution pension scheme administered by Standard Life. The assets are held separate from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £7,204 (2020: £9,350).

12. Donations paid during the year were as follows:-

	£ 2021	£ 2020
Rapid Relief Team	-	200
Footprints	2,100	2,100
	<u>2,100</u>	<u>2,300</u>

13. Negligence Insurance

The Charity hold Trustee Indemnity Insurance and paid a premium of £329 during the year which provides cover of up to £250,000.

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2021 (Continued)

14. Debtors

	2021	2020
	£	£
Trade Debtors	6,654	6,424
Other Debtors and Prepayments	4,702	5,844
	<u>11,356</u>	<u>12,268</u>

15. Creditors: Amounts falling due in one year

	2021	2020
	£	£
Trade Creditors	2,963	2,926
Taxation and Social Security	4,316	3,116
Other Creditors and Accruals	10,336	4,402
	<u>17,615</u>	<u>10,444</u>

Previously the Bank held security for the loan in the form of first and only legal charge over Jordan House, 14 Main Street, and a charge over all unfixed plant, machinery and other assets and equipment at the property.

16. Analysis of Net Assets between funds
Year Ended 31 March 2021

	General Fund £	Restricted Fund £	Total Funds 2021 £	Total 2020 £
Tangible Fixed Assets	510,555	-	510,555	515,401
Current Assets	291,565	-	291,565	222,451
Current Liabilities	(17,615)	-	(17,615)	(10,444)
Net Assets at 31 March 2021	<u>784,505</u>	<u>-</u>	<u>784,505</u>	<u>727,408</u>

Year Ended 31 March 2020

	General Fund £	Restricted Fund £	Total Funds 2020 £	Total 2019 £
Tangible Fixed Assets	515,401	-	515,401	502,588
Current Assets	205,047	17,404	222,451	210,287
Current Liabilities	(10,444)	-	(10,444)	(9,703)
Net Assets at 31 March 2020	<u>710,004</u>	<u>17,404</u>	<u>727,408</u>	<u>703,172</u>

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2021 (Continued)

17. Movements in Funds
Year Ended 31 March 2021

	At 1 April 2020 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 March 2021 £
<u>Restricted funds</u>	17,404	-	17,404	-	-
<u>Unrestricted funds</u>	710,004	364,234	289,733	-	784,505
General Fund	727,408	364,234	307,137	-	784,505

Year Ended 31 March 2020

	At 1 April 2019 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 March 2020 £
<u>Restricted funds</u>	3,000	32,144	17,740	-	17,404
<u>Unrestricted funds</u>	700,172	293,276	283,444	-	710,004
General Fund	703,172	325,420	301,184	-	727,408

Designated Funds

During the year the trustees set aside from the general fund, an amount of £160,000 for the expansion of the Canaan Trust ministry for the future.

Purpose of Restricted Funds

An amount of £5,076 was brought forward given by The Puddle Trust to pay for an Alcohol Professional Advisors and other resident expenses; this was all spent at the year end date. Previously the CPD Trust gave £9,144 for IT and technical equipment; this was all spent at the year end date. In the previous year the Roy Theobald Trust gave £17,000 for decorating and maintenance and a balance of £10,703 was brought forward at the year end date, this is now all spent.

18. Donated Assets

Donation of perishable food from Birds Bakery, Greggs, Tesco, M and S and Nando's, with additional food items from Addo Foods, Samworth Brothers, British and Continental Food Brokers and Giving World, and Chetwynd Army Barracks for the use of the Charity's residents and other charitable institutions – the value is not quantified.

Different churches in Long Eaton hold Harvest Festivals and from those events donations of food are made for the residents of the Charity – these are also shared with the food bank project and other homeless individuals in the locality.

CANAAN TRUST

England & Wales - Charity number 1105657

Accounts

CANAAN TRUST
(A Company Limited by Guarantee)
UNAUDITED REPORT AND
FINANCIAL STATEMENTS
for the Year Ended 31 March 2020

Charity Number 1105657
Company Number 05169595

Canaan Trust
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2020

The Trustees are pleased to present their annual Director's Report together with the financial statements of the charity for the year ended 31 March 2020 which are also prepared to meet the requirements for a Director's Report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

Chairs' Report

As this report is written we are in the middle of the lockdown caused by the Covid-19 virus pandemic. Strict protocols have been put in place to ensure the health and safety of staff and clients so Canaan Trust continues to operate 24/7. Extra cleaning regimes are in place. The staff are working as two separate teams so that if one team has to self isolate there will still be staff available. Lone workers have changed their methods of contact with clients so that social distancing rules can be met. No visitors are allowed into Jordan House or Cranmer Street. Those who come for food parcels have to maintain a safe distance having rung the doorbell. All staff are still working, none have been furloughed. The trustees are very aware of the commitment shown by all staff to keep the Trust operating, supporting all clients both resident and those in the Community. We commend them for their efforts. As Trustees we are doing our part by holding meetings via the Zoom App.

The financial consequences of the lockdown are not shown in this year's report. They will become clear in the coming months. 2020 is the 25th year of the Trust and plans were in place for a number of events to mark this "Year of Thanksgiving." These have all been put on hold or cancelled. Many were fundraising such as the Annual Sleep Out so we can anticipate a significant fall in the proceeds from fundraising. This will be counterbalanced to a degree by the number of grants being offered from various sources to support businesses and charities which our manager is very adept at identifying and applying to. The trustees will monitor the situation throughout the year but it may well be that we will have to use some of our reserves to maintain the current level of operations. As a Christian charity we are determined that we do not fail those in need, especially at this critical time.

We are living in challenging times and the Canaan Trust is not immune from those challenges. The trustees are committed to ensure that the Trust will overcome the difficulties faced, will continue to support all who come to our door and be ready when life returns to the "new normal" to grow to meet what is bound to be an increased call on our services. To this end in the current financial year we have agreed a designated fund of £160,000 to be used towards the purchase/refurbishment of an additional property.

Objects and Activities

The objectives of the charity are the relief of poverty, the advancement of education and the provision of a planned programme of high quality housing related services.

The Trustees have recognised that the wording of the Memorandum and Articles originally adopted do not adequately reflect the work and ethos of the Trust. However, as an Incorporated Charity it is not possible to change the original statement. The Trustees, in consultation with the manager and assistant manager, have adopted an Ethos Statement which we believe sets out in clearer terms the aims and objectives we are working to.

The charity enables and assists vulnerable homeless individuals to establish and maintain greater independence in the community. The charity will provide or assist in the provision of any other facilities, deemed in law, to be exclusively charitable for residents in the Borough of Erewash in the County of Derbyshire and its surrounding boroughs and counties.

Motivated by its Christian ethic, the charity seeks to provide its services fairly, inclusively and diversely to each and every individual who might benefit, while fostering public awareness of homelessness in the community.

Canaan Trust
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 31 March 2020 - Continued

Achievements and Performance

Although the lockdown is currently in place the Trust still provides accommodation for twelve males and food parcels and support for many in the community. The education programme ran until the restrictions began and will recommence as soon as it is safe to do so. Local firms have continued to donate surplus foodstuffs which have been distributed often in partnership with other local charities. Facebook appeals have resulted in individuals donating food and toiletries when our stocks have run low. Many churches used their Harvest Festivals to gather donations for us. One major donation, £17000, was received from the Dennis Roy Theobald Trust. The Trustees wish to record their grateful thanks to all who have supported us in the last year.

The funds received last year from UPS have been used to buy a van which has been put to great use in supporting the work of the Trust.

The office and other parts of Jordan House have been decorated and re-carpeted.

The pay rates for Weekend Support Staff and Night Workers have been equalised removing a historic anomaly.

A Facebook donation facility has been initiated.

An empty retail unit was used as a storage unit for several months allowing the Trust to accept extra donations and support homeless families by storing their belongings.

Three "Igloos" have been purchased. These are excellent temporary one man shelters which can be used by homeless individuals for whom immediate placements can't be found.

The trustees were delighted when two residents began University courses in September.

The residents designed and made a Christmas Tree which was displayed at festivals in Long Eaton and Nuthall generating publicity and donations for the Trust.

The Trust has supported the initiative, arranged by Hope Long Eaton entitled "God's Heart for the Poor and Homeless in 2020" and continues to encourage local churches and others in community social action.

This the 25th anniversary of the Trust should have been the springboard for many events but these have been put on hold. However two events have taken place. Dean Anderson whose family's act of Christian generosity inspired the formation of the Trust has written a book explaining how this came about. The Trust was happy to support the launch event in November and promote sales. All proceeds of the first print run will be donated to the Trust.

Our Manager Kevin Curtis slept out for 25 nights in January. In truth the Trustees were concerned for his health when he first proposed the idea but were reassured when all the risk assessments and safety measures were in place. He actually trialled one of our new Igloos each night. Great publicity resulted including items on local television news and radio and generous donations received. The Trustees commend Kevin for such a commitment.

Public Benefit

All our charitable activities focus on the homeless and the rehabilitation of these persons to integrate them back into the community. This is achieved by each successful referral, through interview, receiving a bespoke programme tailored to their individual needs. Increasingly, those referred to us have a number of issues such as a history of drug/alcohol abuse, offending, learning difficulties and very low self esteem. These issues are addressed by providing individual programmes of support including counseling and education on a wide range of life skills to equip the clients for independent living as well as support in dealing with external agencies.

The Trust seeks to embed fair access, fair exit, diversity and inclusion within the culture and performance of its service. All equality and diversity policies and procedures are designed to proactively fulfil the requirements of the current legislation.

Canaan Trust
(A Company Limited by Guarantee)

Trustees' Report for the Year Ended 31 March 2020 - Continued

Equal access to our services is an important issue for us. We have a constant monitoring process to ensure entry to the project is not discriminatory by disability, religious belief or sexual orientation.

The trustees confirm that they have complied with their duties under section 17 of the 2011 Charities Act with regard to Public Benefit.

Financial Review

The attached financial statements show the current state of the finances. The company had incoming resources during the year of £325,420.

The company's revenue reserve unrestricted fund balance is a surplus of £727,408 at 31 March 2020 which is substantially held as property. The company's unrestricted surplus for the year totalled £9,832.

The principal funding sources of rental income from Housing Benefit, together with donations have been used to support the key objectives in achieving the performance as described above.

Investment Powers of Trust

To invest trust money in the purchase of or at interest on the security of such stocks funds shares securities or other investments or property of whatever nature and wherever situated as the Trustees in their absolute discretion think fit to the intent that the Trustees shall have the same full and unrestricted powers of investing and transposing investments as if they were beneficially entitled to the Trust Fund.

Grant Making Policy

At the discretion of the board of Trustees, they may from time to time make donations to other charities which have the same objectives as the Trust. During the year the charity continued to donate regular donations to 'Footprints Orphanage', a charity with similar charitable aims, of which Kevin Curtis, Manager of the Charity, is Trustee.

Fundraising Activities

A variety of activities take place to raise funds for the Charity. All of these funds are used for charitable purposes. The trustees are grateful for all help offered during the year on a voluntary basis.

Reserves Policy

As at 31 March 2020 the total funds of the Trust were £727,408, a substantial amount of this being represented by fixed assets.

The Directors recognise that:-

- a) the Trust's charitable activities are such as to require a significant investment in fixed assets;
- b) the Directors have identified opportunities for refurbishment of buildings and/or for extension of its operations, and funds raised for these purposes are likely to be restricted funds.
- c) The Trust's ordinary income, excluding funds generated from charitable giving, below normal operational expenditure.

The Directors have adopted a policy that unrestricted funds not committed and held by the charity should cover, in the event of being wound up due to lack of funding, sufficient funds to pay current notice and redundancy entitlement and the equivalent of 3 months' running costs. The Directors estimate that £80,000 should be set aside for this purpose.

In addition to this, it is the Directors' intention to hold sufficient funds in reserve to ensure the continuation of current activities for a period of 12 months in the event of a significant drop in charitable or other income to enable appropriate cost reduction measures to be put in place.

Canaan Trust
(A Company Limited by Guarantee)

Trustees' Report for the Year Ended 31 March 2020 - Continued

Future Plans

It is our intention to build on the foundations established in previous years by further developing the level of publicity with the aim of achieving regular and sustainable donations to fund our activities. Financial sustainability is crucial and the Trustees recognise that in the current cost-cutting environment it is essential that we have sufficient reserves to cope with unforeseen circumstances, in particular relating to Housing Benefit which is a significant source of income to the Trust.

Short Term

Given the ages of the current trustees and managers of the Trust discussions have begun to ensure a smooth management progression when the need arises. A revised management structure will be put in place whilst the trustees continue the search for suitable candidates to join the board.

Discussions have begun with local churches keen to initiate a "Listening Post" in Long Eaton.

Long Term

Explore how best to use available resources to meet the needs of residential and outreach clients.

Explore other income streams to lessen dependence on donations.

Canaan Trust
(A Company Limited by Guarantee)

Report of the Trustees for the Year Ended 31 March 2020

Reference and Administrative Information

CHARITY NAME:	Canaan Trust
CHARITY REGISTRATION NUMBER:	1105657
COMPANY REGISTRATION NUMBER:	5169595
REGISTERED OFFICE:	Cliffe Hill House 22-26 Nottingham Road Stapleford Nottingham NG9 8AA
OPERATIONAL ADDRESS:	Jordan House 14 Main Street Long Eaton Nottingham NG10 1GR
PATRONS:	Andrew James
TRUSTEES OF THE CHARITY AND DIRECTORS OF THE COMPANY:	Mrs D Ross (Treasurer) Mr D Gee (chair) Mr T J Broad Mr A Goulden Mr T Jones Mrs T Hopkins (Appointed 27.11.19)
PROJECT MANAGER: (Responsible for day to day running of project)	Kevin Curtis
ASSISTANT MANAGER:	Kate Bassford
COMPANY SECRETARY:	Not Appointed
INDEPENDENT EXAMINER:	D J Lockwood FCA, FCCA ATT(Fellow) Chartered Accountant Haines Watts Nottingham Limited Cliffe Hill House 22 – 26 Nottingham Road Stapleford Nottingham NG9 8AA
BANKERS:	The Co-operative Bank PLC 4 – 5 Exchange Walk Nottingham NG1 2NX Barclays Bank, Long Eaton Branch
SOLICITORS:	Ellis-Fermor Negus 35 Derby Road Long Eaton Nottingham NG10 1LU
WEBSITE:	www.canaan-trust.co.uk

Canaan Trust
(A Company Limited by Guarantee)

Trustees' Report for the Year Ended 31 March 2020

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 2 July 2004 and registered as a charity on 27 August 2004. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound-up members are required to contribute an amount not exceeding £10.

Recruitment and Appointment of Management Committee

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as the Board of Directors. Under the requirements of the Memorandum and Articles of Association one third of the members of the Board of Directors are required to retire from office annually. The Directors to retire by rotation shall be those who have been longest in office since their last appointment. The Trustees appointed represent a number of churches and dominations within the locality.

Formation

Canaan Trust formally commenced operation on the 1 April 2005 when all assets and the operations of The Aspire Trust were transferred to the Canaan Trust by a deed of gift and staff were transferred under TUPE.

Trustee Induction and Training

Any new trustee undergoes an induction process to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making process, the business plan and the recent financial performance of the Charity. During this induction they meet key employees and other trustees. All trustees are actively encouraged to attend appropriate training events that will facilitate the undertaking of their role within the charity.

Risk Management

The Board of Directors has conducted a review of the major risks to which the charity is exposed. A risk register has been established and will be updated annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. The Trust has appointed external advisers for Health and Safety, Human Resources and Information Technology to ensure compliance with current legislation and provide expert advice. Significant external risks to funding have led to the development of a strategic plan which will allow for the diversification of funding and activities. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the project. Monthly reports are produced to monitor Income and Expenditure enabling steps to be taken early to lessen risk. Internal risks are minimised by the implementation of procedures for authorisation of all transactions by at least 2 trustees or 1 trustee and the treasurer. The Treasurer and Project Manager monitor all cash transactions and limits are set for monthly amounts of expenditure.

In response to the lowering of the threshold for the guarantee of funds in bank accounts the Trust have opened an account with Santander Bank and have transferred funds to ensure there is no risk to our reserves.

Canaan Trust
(A Company Limited by Guarantee)

Trustees' Report for the Year Ended 31 March 2020 - Continued

Organisational Structure

Canaan Trust has a Board of Directors which meets monthly and is responsible for the strategic direction and policy of the charity. At present the Committee has six members from a variety of professional backgrounds relevant to the work of the charity.

A scheme of delegation is in place and day to day responsibility for the provision of the services rests with the project manager Mr Kevin Curtis. He is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. The Manager has responsibility for the day to day operational management of the Project, individual supervision of the staff team and also ensuring that the team continue to develop their skills and working practices in line with good practice.

Responsibilities of the Trustees

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the management committee should follow best practice and:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Board of Directors is 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.

Members of the Management Committee

Members of the Board of Directors who are also trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 6.

Members of the Charitable Company guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2020 was 6 (2019 – 5).

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in July 2014) and in accordance with the Special Provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Board of Directors on (30/09/2020) and signed on its behalf by:

Signature David Gee Mr D Gee (Director and Chair of Board of Trustees)

Canaan Trust
(A Company Limited by Guarantee)
Company Number: 05169595

Independent Examiner's Report to the Trustees of Canaan Trust

I report on the charity trustees on my examination of the accounts of the company for the year ended 31 March 2020.

Responsibilities and Basis of Report

As the charity's trustees of the Company (and also its directors for the purpose of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:-

- 1) Accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- 2) The accounts do not accord with those records; or
- 3) The accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirements that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- 4) The accounts have not been prepared in accordance with the methods and principles of the Statement of recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....
D J Lockwood FCA, FCCA, ATT(Fellow)
Chartered Accountant

Dated

Haines Watts Nottingham Limited
Cliffe Hill House
22-26 Nottingham Road
Stapleford
Nottingham
NG9 8AA

Canaan Trust
(A Company Limited by Guarantee)

Statement of Financial Activities (including Income and Expenditure Account)
For the year ended 31 March 2020

	Notes	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
Income							
Donations and Legacies	2	97,550	32,144	129,694	80,347	3,500	83,847
Investment Income		1,146	-	1,146	1,227	-	1,227
Income from charitable activities:	3						
Rent & Utilities		191,418	-	191,418	180,284	-	180,284
Fundraising		3,148	-	3,148	37,694	-	37,694
Other Income		14	-	14	35	-	35
Total Incoming Resources		<u>293,276</u>	<u>32,144</u>	<u>325,420</u>	<u>299,587</u>	<u>3,500</u>	<u>303,087</u>
Expenditure							
Raising Funds	4	6,599	-	6,599	10,271	-	10,271
Charitable activities	4	247,680	17,740	265,420	233,719	4,450	238,169
Support Costs	4	29,165	-	29,165	29,419	-	29,419
Total Expenditure		<u>283,444</u>	<u>17,740</u>	<u>301,184</u>	<u>273,409</u>	<u>4,450</u>	<u>277,859</u>
Net income/expenditure and net movement in fund		9,832	14,404	24,236	26,178	(950)	25,228
Reconciliation of funds							
Total fund balances brought forward 1 April 2019	17	<u>700,172</u>	<u>3,000</u>	<u>703,172</u>	<u>673,994</u>	<u>3,950</u>	<u>677,944</u>
Total fund balances carried forward 31 March 2020	17	<u>710,004</u>	<u>17,404</u>	<u>727,408</u>	<u>700,172</u>	<u>3,000</u>	<u>703,172</u>

The statement of financial activities includes all gains and losses in the year.
All incoming resources and resources expended derive from continuing activities.

Canaan Trust
(A Company Limited by Guarantee)

Balance Sheet as at 31 March 2020

		2020	2019
	Notes	£	£
Fixed Assets			
Tangible Assets	9	515,401	502,588
Current Assets			
Debtors	14	12,268	11,816
Cash at bank and in hand		210,183	198,471
		<u>222,451</u>	<u>210,287</u>
Creditors: amounts falling due within one year.	15	<u>10,444</u>	<u>9,703</u>
Net Current Assets/(Liabilities)		212,007	200,584
Net Assets		<u>727,408</u>	<u>703,172</u>
Unrestricted funds			
General Funds - General Purposes	17	710,004	700,172
Restricted Funds	17	17,404	3,000
Total Charity Funds	16	<u>727,408</u>	<u>703,172</u>

The Company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ending 31 March 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for:

- a) Ensuring the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006, and
- b) Preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements, so far as applicable to the company.

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Board of Directors on 30/09/2020 and signed on its behalf by:

Mrs D Ross Treasurer and Trustee/Director *Diana Ross*

Mr D Gee, Chairman of Directors and Trustee/Director *David Gee*

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2020

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 and assessment of going concern

The financial statements have been in accordance with the 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 (FRS102) (effective 1 January 2015) – (Charities SORP FRS102). The Financial Reporting Standard applicable in UK and Republic of Ireland (FRS102) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The charity constitutes a public benefit entity as defined by FRS102.

Going Concern

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

The funds of the charity are considered sufficient to sustain the charity during the current pandemic.

The accounts are presented in Sterling £1.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of 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.
- Incoming resources from charitable trading activity are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.
- Interest receivable – Interest on funds held on deposit is included when receivable and the amount can be received reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.
- Legacies are accounted for on a receivable basis when the following conditions have been met.
 - The final estate accounts have been approved
 - The legacy is capable of measurement; and
 - There is no reversionary interest

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2020 - Continued

Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting grants income and donations.
- 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 include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.
- Allocation of Support Costs – Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Trusts programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 4.
- Operating Leases – The charity classifies the lease of photocopiers and mobile phones as operating leases. Rental charges are charged on a straight line basis over the term of the lease.

Tangible Fixed Assets

All fixed assets are capitalised at cost, where considered appropriate to capitalise. Those purchased by specific gifts and grants have been written off fully in the year of gift.

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

Fixture, Fitting and Equipment	-	20% reducing balance
Property	-	No charge for depreciation
Office Equipment	-	25% on cost

No depreciation is charged on land and buildings as the residual value is believed to be higher than historical cost.

Pensions

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. Contributions payable for the year are shown in the statement of financial activities.

Debtors

Debtors are recognised at the settlement amount owed to the Charity or prepaid.

Creditors

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.

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2020 - Continued

Financial Instruments

The Charity 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

Taxation

The Charity is exempt from tax on its charitable activities. The Charity also rents its rooms to other local children's activities which satisfy the objectives of the Charity. The Trustees have reviewed the Charity's trading activities and are confident that they further the Charity's aims and, as such, are considered to be primary purpose trading.

Judgement and Key Sources of Estimation Uncertainty

The preparation of accounts using generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the accounts and the reported amounts of revenues and expenses during the reporting period.

The key estimates and assumptions used in the Financial Statements are detailed in the accounting policies.

Fund Balances

Unrestricted Funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the Charity without further specified purpose and are available as general funds.

Designated funds

Designated funds are unrestricted funds earmarked by the management committee for particular purposes.

Restricted Funds

Restricted funds are to be used for specific purposes as laid down by the donor and are subjected to restrictions of their expenditure imposed by the donor or through the terms of an appeal.

Legal Status of the Trust

The Trust is a company limited by guarantee and has no share capital: the liability of each member in the event of winding up is limited to £10.

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2020 - Continued

2. Donations and Legacies

	Unrestricted £	Restricted £	2020 Total £	2019 Total £
Roy Theobald Trust	-	17,000	17,000	-
The Sage Trust	1,000	-	1,000	1,000
Puddle Lane Trust	-	6,000	6,000	3,000
Breaston PPCC	2,000	-	2,000	1,100
Erewash Borough Council - small grant	-	-	-	500
Greggs Foundation	-	-	-	250
Community Concern	2,600	-	2,600	-
EVA	-	-	-	1,600
UPS	-	-	-	24,707
EMH Homes	2,167	-	2,167	-
CPD Trust	-	9,144	9,144	-
Trent Parents Association	2,000	-	2,000	-
General Donations (including Gift Aid)	87,783	-	87,783	51,690
	<u>97,550</u>	<u>32,144</u>	<u>129,694</u>	<u>83,847</u>

3. Income from Charitable Activities

	Unrestricted £	Restricted £	2020 Total £	2019 Total £
Utility Income	10,355	-	10,355	9,005
Rent				
Housing Benefit	181,063	-	181,063	171,279
	<u>191,418</u>	<u>-</u>	<u>191,418</u>	<u>180,284</u>

Trustee giving during the year totalled £252 (2019: £730).

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2020 - Continued

4. Expenditure

	Basis of Allocation	Raising Funds	Rental income and grant income	Support Costs	2020 Total	2019 Total
Costs directly allocated to activities	£	£	£	£	£	£
Staff Costs	Direct	-	182,951	20,328	203,279	198,788
Rent, Rates and Water	Usage	-	4,154	-	4,154	3,176
Heat, Light, Power	Usage	-	7,948	-	7,948	5,344
Travel and Staff Expenses	Direct	-	2,986	30	3,016	1,628
Insurance	Direct	-	3,787	-	3,787	3,843
Cleaning/Housekeeping	Direct	-	4,784	531	5,315	2,972
Residents Expenses	Direct	-	6,607	-	6,607	4,269
Training Costs	Direct	-	5,333	-	5,333	1,145
Property Maintenance	Direct	-	17,725	-	17,725	3,052
Healthy Living costs	Direct	-	1,446	-	1,446	1,404
Consultancy Fees	Direct	-	5,531	-	5,531	8,695
Professional Fees	Direct	-	-	-	-	35
		-	243,252	20,889	264,141	234,351
Support costs allocated to activities						
Fundraising Costs		1,417	-	-	1,417	2,301
Stationery, photocopier and office costs	Usage	1,166	2,332	1,166	4,664	5,641
Office Equipment and Maintenance Costs	Usage	1,253	2,505	1,253	5,011	14,156
Computer Expenses	Usage	2,292	4,583	2,292	9,167	9,820
Telephone, Mobile and Broadband	Usage	225	3,375	900	4,500	4,256
Sundry Expenses	Usage	131	65	131	327	371
Charitable Giving	Direct	-	2,300	-	2,300	2,200
Bank Charges	Usage	115	115	115	345	605
Accounting and Payroll	Direct	-	3,917	435	4,352	3,483
Depreciation	Usage	-	2,976	1,984	4,960	675
		6,599	22,168	8,276	37,043	43,508
Total Resources Expended		6,599	265,420	29,165	301,184	277,859

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2020 - Continued

5. Net Incoming Resources for the year

This is stated after charging

	2020 £	2019 £
Depreciation	4,960	675
Reporting Accountants Fee	2,789	2,160
Payroll Preparation Fees	1,563	1,323

6. Staff Costs and Numbers

	£	£
Salaries	182,868	181,555
Pension Costs	9,350	7,949
Employers National Insurance	11,061	9,284
	<u>203,279</u>	<u>198,788</u>

Average number of paid full and part time employees in the year	14	15.5
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The cost of one employee is partly charged to support costs. The others are included in charitable activities. (note 4)

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

Total remuneration of key management personnel in the year was £66,735 (2019: £65,174).

7. Trustee Remuneration and Related Party Transactions

No emoluments were received by the Trustees either in their capacities as Trustees or as members of the Board of Trustees. There were no other emoluments or expenses paid to any other Charity trustee, or persons connected with such a trustee directly or indirectly from the funds of the Charity or from the property of any body connected with the Charity. There are no other related party transactions.

8. Taxation

As a Charity, Canaan Trust is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2020 - Continued

9. Tangible Fixed Assets

	Land and Buildings £	Office Equipment £	Fixtures and Equipment £	Van £	Total £
Cost					
Brought forward	500,852	5,796	21,702	-	528,350
Additions	-	-	-	17,779	17,779
At 31 March 2019	<u>500,852</u>	<u>5,796</u>	<u>21,702</u>	<u>17,779</u>	<u>546,129</u>
Depreciation					
Brought forward	-	5,248	20,514	-	25,762
Charge for the year	-	268	254	4,444	4,966
At 31 March 2020	<u>-</u>	<u>5,516</u>	<u>20,768</u>	<u>4,444</u>	<u>30,728</u>
Net Book Value					
At 31 March 2020	<u>500,852</u>	<u>280</u>	<u>934</u>	<u>13,335</u>	<u>51,401</u>
At 31 March 2019	<u>500,852</u>	<u>548</u>	<u>1,188</u>	<u>-</u>	<u>502,588</u>

There were no tangible assets donated during the year that were capitalised and all assets are held for the furtherance of the Charity's objectives.

10. Financial Commitments

The Charity has the following commitments:

- An annual commitment to pay a photocopier and printer lease. The annual lease charge payable is £971.68.
- A commitment to the current insurance company for premiums of at least £3,458 per annum until April 2021.
- A commitment to a mobile phone contract. The annual rental amount is £290.16.

11. Pension Commitments

The Charity operates a defined contribution pension scheme administered by Standard Life. The assets are held separate from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £9,350 (2019: £7,949).

12. Donations paid during the year were as follows:-

	£ 2020	£ 2019
Rapid Relief Team	200	100
Footprints	<u>2,100</u>	<u>2,100</u>
	<u>2,300</u>	<u>2,200</u>

13. Negligence Insurance

The Charity hold Trustee Indemnity Insurance and paid a premium of £329 during the year which provides cover of up to £250,000.

Canaan Trust
(A Company Limited by Guarantee)

Notes forming part of the Financial Statements for the Year Ended 31 March 2020 (Continued)

14. Debtors

	2020	2019
	£	£
Trade Debtors	6,424	6,616
Other Debtors and Prepayments	5,844	5,200
	<u>12,268</u>	<u>11,816</u>

15. Creditors: Amounts falling due in one year

	2020	2019
	£	£
Trade Creditors	2,926	2,852
Taxation and Social Security	3,116	3,059
Other Creditors and Accruals	4,402	3,792
	<u>10,444</u>	<u>9,703</u>

Previously the Bank held security for the loan in the form of first and only legal charge over Jordan House, 14 Main Street, and a charge over all unfixed plant, machinery and other assets and equipment at the property.

16. Analysis of Net Assets between funds

	General Fund £	Restricted Fund £	Total Funds 2020 £	Total 2019 £
Tangible Fixed Assets	515,401	-	515,401	502,588
Current Assets	205,047	17,404	222,451	210,287
Current Liabilities	(10,444)	-	(10,444)	(9,703)
Net Assets at 31 March 2020	<u>710,004</u>	<u>17,404</u>	<u>727,408</u>	<u>703,172</u>

17. Movements in Funds

	At 1 April 2019 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 March 2020 £
<u>Restricted funds</u>	3,000	32,144	17,740	-	17,404
<u>Unrestricted funds</u>	700,172	293,276	283,444	-	710,004
General Fund	<u>703,172</u>	<u>325,420</u>	<u>301,184</u>	<u>-</u>	<u>727,408</u>

Purpose of Restricted Funds

An amount of £3,000.00 was brought forward and additionally in the year another £6,000 was given by The Puddle Trust to pay for an Alcohol Professional Advisors and other resident expenses; a balance of £5,076 is carried forward at the year end date. In the year the CPD Trust gave £9,144 for IT and technical equipment; a balance of £1,625 is carried forward at the year end date. In the year the Roy Theobald Trust gave £17,000 for decorating and maintenance and a balance of £10,703 is carried forward at the year end date.

18. Donated Assets

Donation of perishable food from Birds Bakery, Greggs, Tesco, M and S and Nando's, with additional food items from Addo Foods, Samworth Brothers, British and Continental Food Brokers and Giving World, and Chetwynd Army Barracks for the use of the Charity's residents and other charitable institutions – the value is not quantified.

Different churches in Long Eaton hold Harvest Festivals and from those events donations of food are made for the residents of the Charity – these are also shared with the food bank project and other homeless individuals in the locality.