

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.

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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.

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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.

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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.

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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

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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.

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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.

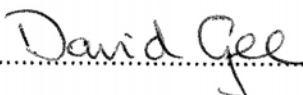
Members of the Management Committee

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)

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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.

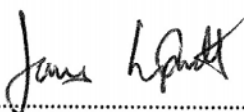
Independent Examiner's Statement

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

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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.

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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

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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

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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.

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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
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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
-----------------------------------------------------------------	----	----

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>
Designated Fund					
– expansion of Canaan Trust	160,000	-	-	(110,000)	50,000
Designated Fund – freehold property and fixed assets	-	-	-	634,015	634,015
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).