

**THE SOPHIE LANCASTER FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL ACCOUNTS AND FINANCIAL STATEMENTS
FOR THE PERIOD 1 NOVEMBER 2021 TO 31 DECEMBER 2022**

**The Sophie Lancaster Foundation
Trustees' Report and Financial Statements
For the Period 1 November 2021 to 31 December 2022**

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The Sophie Lancaster Foundation
Reference and Administrative Details
For the Period 1 November 2021 to 31 December 2022

Trustees	Mr. Michael Ainsworth Ms. Elizabeth Griffin Ms. Fiona Horton Mrs. Alison Wright
Company Number	06728103
Registered Office	87 Deardengate Haslingden Rossendale BB4 5SN
Accountants	Simple Accounting NW Ltd 4-4a Blackburn Road Accrington BB5 1HD
Bankers	Lloyds Bank Plc 7 Manchester Road Burnley Lancashire BB11 1HT
Charity Registration Number	1129689

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the The Sophie Lancaster Foundation for the period ended 31 December 2022.

Objectives and activities

Objects and aims

The promotion of equality and diversity for the public benefit by:

- Advancing education and raising awareness in equality and diversity;
- Promoting activities to foster understanding between people from diverse backgrounds;
- Conducting or commissioning research on equality and diversity issues and publishing the results to the public;
- Cultivating a sentiment in favour of equality and diversity;

The prevention of crime and the preservation and protection of health in particular but not exclusively of those subject to victimisation or violence by advancing education and raising awareness.

Help educate and overcome attitudes through group activities.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales

Foreword

This report must commence with recording the sudden death on 12th April 2022, of incumbent Chief Executive and founder of the Sophie Lancaster Foundation, Dr Sylvia Lancaster OBE. Sylvia will always be remembered as Sophie's Mum and for being the force of nature that she was. Following her huge personal tragedy in suffering Sophie's loss, Sylvia was determined to set up a charity to combat the prejudice and intolerance faced by people from alternative subcultures. She worked tirelessly for the rest of her life to educate about difference and celebrate individuality. An active campaigner and lobbyist for fifteen years after Sophie's death, Sylvia was particularly proud of her role as a member of the National Police Chiefs' Council and Association of Police and Crime Commissioners National Independent Advisory Group on Hate Crime. Sylvia was awarded an OBE in 2014 for community cohesion, especially with regard to the reduction of hate crime and received Doctorates from the University of Bolton (2018) and the University of Surrey (2019). Whatever her achievements, Sylvia always used to say that it was never about her, it was always about Sophie. The Foundation is now Sylvia's legacy, and we will continue her work to fight prejudice and intolerance in Sophie's name and support Sylvia's beloved alternative community.

Aims

The Sophie Lancaster foundation was set up for the promotion of equality and diversity for the public benefit by (1) a. advancing education and raising awareness in equality and diversity; b. promoting activities to foster understanding between people from diverse backgrounds; c. conducting or commissioning research on equality and diversity issues and publishing the results to the public; and d. cultivating a sentiment in favour of equality and diversity; and (2) the prevention of crime and the preservation and protection of health in particular but not exclusively of those subject to victimisation or violence by advancing education and raising awareness.

Combatting the negative stereotyping and demonisation of people from alternative subcultures through education is key to the Foundation achieving its goals. Much of the inequality and injustice suffered by alternative people stems from wider society's absorption of lazy assumptions and false narratives about alternative people.

Key Appointments

Following the death of Sylvia Lancaster, Alison Vincent, originally employed as Partnership and Development Manager in 2019, was promoted to the role of Chief Executive from 1st August 2022. Alison was brought in by the Board of Trustees to work closely with Sylvia and gain first-hand experience of the operation of the Foundation. This legacy planning has been invaluable and following Sylvia's death, the Foundation was in a strong position operationally whilst at the same time dealing with its huge loss.

The Board was refreshed in September 2022, with the appointment of Fiona Horton as Chair, and the recruitment of four new Trustees - Alison Wright, Brian Mitchell, Elizabeth Griffin and Mike Ainsworth. The new Trustees come from a variety of public, private and third sector backgrounds and bring with them considerable skill and experience in IT, education, health and well-being and hate crime. The Trustees were attracted to working with the Foundation because of their own identification with an alternative subculture and/or their emotional commitment to the work of the Sophie Lancaster Foundation and desire to forward its aims.

Policies, systems and procedures are all in the process of being updated since the appointment of the new Chief Executive. The decision was made to change the financial year from its original accounting period - 1st November to 31st October to a more useful one reflecting the calendar year of 1st January to 31st December. These Accounts have been expanded to cover an additional two months and so run from 1st November 2021 to 31st December 2022. This allows the new January to December accounting period to start on 1st January 2023.

Performance and Achievements

This financial year was unlike any other that the Foundation has, or will ever, experience. Sylvia's sudden loss in April 2022 had huge practical implications as well as emotional ones. All at the Foundation had lost a friend and colleague as well as the founder and Chief Executive. Sylvia was the main educator and spokesperson for the Foundation and her role as Sophie's Mum made her a significant public figure. The period following Sylvia's death and leading up to her funeral was emotionally challenging and professionally one of the busiest periods in the Foundation's history. It was a time of intensive national and international media interest, demanding huge investments from the staff at a very difficult time. The huge spike in media coverage did undoubtedly raise awareness of the Foundation, in addition to condolences for Sylvia's loss, there was a vocal outpouring of support for the Foundation's work.

Broadly, through this financial year, the Foundation continued to prioritise a number of strategic issues - Education and Training, Hate Crime and Policy, Outreach and Media and PR.

Education and Training

Primary and secondary education sessions were well received during this period with in person delivery possible once again post the lifting of the Covid-19 restrictions. The digital delivery of training developed during the pandemic, continued to be a popular option, being particularly useful as a way of delivering training to organisations geographically distant from the Foundation's Lancashire base or to groups with a disparate membership.

Year 6 sessions in primary schools concentrated on delivery of the S.O.P.H.I.E. workshop. Most of these sessions were delivered in the North West with a particular concentration in Lancashire schools enabled by funding from a local business committed to supporting community cohesion in the region. This is a model we are looking to develop further in the next financial year. These sessions were enhanced by the updating of the visual educational resources used in the workshop. This was a huge step for the Foundation as it is the first time these have been updated since they were originally developed. Pilot sessions were run using the new cards to make sure the educational content and impact was not diluted from the original. The results were consistently positive and the more up-to-date and relevant images immediately generated significant opportunities for learning.

Presentations about Sophie's story and the work of the Foundation was the product taken up most in secondary schools. The sessions continued to be impactful and the evaluations indicated high satisfaction levels and increased knowledge and empowerment. Black Roses was another popular choice for training, stimulating considerable questions and discussion in the panel discussions following the viewing. Training was delivered to Further and Higher Educational establishments across a much wider geographical spread. In addition to the concentration in the North West, presentations were given nationally, including to criminology students at the University of Leicester and University of Surrey, maintaining our strong links with those faculties and organisations. In addition to undergraduate engagement, it was an honour to be invited to premier a film interview with Sylvia 'What Price Justice?' at the British Society of Criminologists Conference at Surrey University. The film was a moving tribute to Sylvia and the work she pioneered for victims of hate, especially in the unmonitored strands.

In addition to formal education settings, the team took awareness stalls to freshers fairs, shopping centres and conferences. These opportunities provide wonderful opportunities to raise awareness of the Foundation and offer advice and support. Wherever the team attend, there is always at least one personal revelation from a visitor to the stall, telling of their own experience of prejudice, harassment or hate crime. It is always sobering and a stark reminder, should it be needed, of why the Foundation was established.

Hate Crime and Policy

Fifteen years after Sophie Lancaster's brutal murder because of her distinct style and gothic identity, we are still discussing the prevalence of hate crimes against alternative people. Hate crime targeted at people from alternative subcultures is still not a monitored stand of hate and we would argue this inequality undeniably makes it even harder for those crimes to be recognised and for its victims to receive justice and support.

In late 2018 the government asked the Law Commission to undertake a wider and more in-depth review of hate crime laws than previously undertaken, and in December 2021, the findings were published. One aspect of the review was examining the strands of hate and recommending if any others should be added to the list of monitored characteristics. The Law Commission recommendation was that alternative subcultures should not be added to the list of monitored strands of hate crime. One of the reasons it failed was that there was not enough evidence that "criminal targeting of this group was prevalent" and there was not "a strong demonstrable need to extend protection to this group."

In the Foundation's view, the finding that there was 'no evidence' that "criminal targeting of this group was prevalent" was more of an indicator of the lack of formal research, rather than the suggestion that the group were not being victimised or needed protection. In response, the Sophie Lancaster Foundation launched the largest and most comprehensive survey ever conducted into the alternative community's experience of hate crime. The Foundation convened a steering group composed of experts from the National Police Chiefs' Council (NPCC) Independent Advisory Group on Hate Crime, the University of Leicester, the University of Plymouth, the University of Surrey, Stop Hate UK and RTSI (Right to Subcultural Identity), a long-time collaborator, established to combat alternative subculture hate crime in Sweden. The group developed a questionnaire and it was promoted to the community at festivals, on social media and online, throughout 2022. The group will publish the findings of this important survey in 2023.

The Sophie Lancaster Foundation
Trustees' Report For the Period 1 November 2021 to 31 December 2022 (continued)

From time to time, the Foundation is asked to deliver a hate crime intervention event by the police. During this period we were invited to deliver a session in the North West to a group of young people who had been targeting a young alternative person. After a period of time, this had culminated in a physical attack. The perpetrators came from a variety of schools and the police coordinated a group session in one high school with all the individuals involved

It was a powerful and emotional session and a great example of how the police and schools can work together to make positive change. One of the areas the Foundation is most proud of, is its work with perpetrators as well as victims of hate crime.

In December, Foundation staff were delighted to attend the National No2H8 Awards in London. Two new awards, the Sophie Lancaster Award and the Sylvia Lancaster Award were presented to recognise upstanders against hate and quality educational initiatives. It was an inspiring evening and wonderful to see all the amazing work that is being carried out nationally to combat hate.

Outreach

Outreach remains central to raising awareness of the Foundation's work, reaching new audiences and making contact with people who may themselves have been affected by hate crime and intolerance. Festivals remain a key part of the Foundation's programme to engage with, and offer advice and support to, the community. They are also a valuable opportunity for income generation via charity merchandising.

The major events attended included:

April 2022	The Alternative Market, Whitby Goth Celebrations
April 2022	Primordial Festival, Wolverhampton
May 2022	Nice 'n Sleazy, Blackpool
June 2022	Download, Derbyshire
August 2022	Rebellion, Blackpool
August 2022	Bloodstock Open Air, Derbyshire
October 2022	The Alternative Market, Leeds
October 2022	Tomorrows Ghosts Festival, Whitby
November 2022	Make A Noise, Manchester

For such a small team, it takes considerable resources to fulfil such a comprehensive programme. Download alone has an audience of over 100 000, and so festivals provide the opportunity to cost-effectively engage with huge numbers of people.

This year's festival attendance was particularly significant in light of the timing. April's Goth Celebrations in Whitby took place two weeks after Sylvia's sudden loss and even before her funeral. It was an emotional time and the alternative community came to the stall to offer condolences and talk about their memories of Sylvia. The team found it heartening that the collective sentiment expressed was the determination that the Foundation must go on. Bloodstock in August was also particularly memorable with the organisers deeming the Sunday to be a 'wear pink for Sylvia' day. The festival ground was a sea of pink and a day of real joy.

Media and PR

The Foundation was consistently featured in local, regional, national and international media throughout the 2021-2022 year. The award-winning Coronation Street hate crime storyline continued to stimulate significant media and digital coverage. Sylvia was interviewed on Radio 2 on the Jeremy Vine show, shortly before she died. As a parent of a murdered child and a believer in rehabilitation, the interview explored Sylvia's view of the complexities of the criminal justice system with the need to deliver justice for the victims and their families whilst striving to rehabilitate offenders. The news of Sylvia's death featured hugely in the press and made regional and national TV news; with Patron, Julie Hesmondhalgh, supportively undertaking copious media interviews to talk about Sylvia and her achievements in establishing the Sophie Lancaster Foundation. Shortly after Sylvia's funeral, Coronation Street won a 2022 BAFTA award for Best Soap and Continuing Drama and dedicated the award to both Sophie and to Sylvia Lancaster for her tireless campaigning. In November, the team were invited to the Compendium of Reason charity fundraiser at the Royal Albert Hall, hosted by Brian Cox and Foundation Patron, Robin Ince. The show was a glorious mixture of comedy, science and music and featured a moving dedication to Sylvia from Robin, in recognition of her work and the creation of the Foundation as a 'weapon of empathy'.

Finance

Going Concern

I am pleased to report the good financial health of the Foundation with further green shoots of growth being cultivated. As founder, Chief Executive and the person responsible for most of the training output, much of the status and income of the organisation centred around Sylvia and her activities. We are very happy to report that the validity of the Foundation, our remit and output remain as valued by the alternative community as ever. Enquiries for bookings remain buoyant and the introduction of online training has also afforded new opportunities. Systems and processes have been updated and strengthened to put the Foundation in the best position to analyse financial data more effectively thus affording better planning and control mechanisms.

Structure, governance and management

Nature of governing document

The organisation is a registered charity operated under the rules of its constitution adopted 20 October 2010. The charity is a company limited by guarantee, registered in England and Wales, and does not have share capital. Each of the Trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

Recruitment and appointment of trustees

Trustees are chosen because of their diverse skill sets which they bring to the charity. In order to be able to fulfil their roles competently each new trustee is given guidance provided by the Charity Commission.

In order to understand the charity and its aims and objectives all trustees are invited to attend training sessions taking place within schools and working at festivals. These options allow each board member an opportunity to work at grass roots level and give an understanding of how the charity is multi-faceted and how they can help to drive the charity forward.

Arrangements for setting key management personnel remuneration

Remuneration for key management is discussed in full at the board meeting before being voted on.

Financial instruments

The charity only has basic financial instruments.

Objectives and policies

The charity monitors risk through a risk management process which looks at all areas of the organisations operations.

The principal risk facing the Foundation is funding. As a charity who generates all its own income, we are constantly aware of the pressures of finding funds and making our organisation as effective and streamlined as possible.

We will increase the resources available for fundraising and will not outlay considerable project investment prior to successful project funding.

We will prioritise awareness raising activities to help ensure that in topical discussions on hate crime and difference we will continue to be seen as a significant and authentic voice. This will contribute to the long-term success of the Foundation through the achievement of our corporate aims and will support the generation of income through commercial bookings and events.

Financial review

Policy on reserve

The trustees believe the current net asset position is sufficient for the future needs of the organisation. However, these levels are to be reviewed annually.

The restricted funds held by the charity at 31 December 2022 were £3,200 (Oct - 2021 - £3,200) and unrestricted reserves of £139,803 (Oct - 2021 - £156,904).

Plans for future periods

Strategically, the direction of the Foundation will be to change the balance of funding, with more income raised from grants and foundations and less reliance on income generation from education and training. Research with similar charities has demonstrated that many provide free sessions to educational establishments and organisations like the police. This will enable much greater take-up of work with budgetary constraints not being a barrier to learning. Free resources will also be made available online to increase the visibility of the Foundation and help get the message into schools. Merchandise is a key area for development and efforts will be made to increase this income stream particularly online. New staff will be recruited to support in education and marketing activities. The findings of the 2022 Hate Crime survey will be instrumental in developing the future hate crime strategy for the Sophie Lancaster Foundation.

Principal risks and risks management

The principal risk facing the Foundation is funding. As a charity that generates all its own income, there is constant pressure to find funds. This discipline, however, ensures the organisation is stringent in its management and operates as effectively as possible. Additional resources will be allocated to fundraising activities. There will be no significant project outlay or investment prior to successful project funding. Office and operational expenditure will remain as always, at a minimum level.

Statement of Trustees' Responsibilities

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

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

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

The Sophie Lancaster Foundation
Trustees' Report For the Period 1 November 2021 to 31 December 2022 (continued)

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

The annual report was approved by the trustees of the charity on 20 October 2023 and signed on its behalf by

Ms Fiona Horton
Trustee
20 October 2023

The Sophie Lancaster Foundation
Independent Examiner's Report to the trustees of The Sophie Lancaster Foundation
For the Period 1 November 2021 to 31 December 2022

I report to the charity trustees on my examination of the accounts of the charity for the period ended 31 December 2022 which are set out on pages 5 to 12.

Respective responsibilities of trustees and examiner

As the charity's trustees of The Sophie Lancaster Foundation (and also its directors for the purposes 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 Sophie Lancaster Foundation 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 Sophie Lancaster Foundation 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 requirement 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 (FRS 102)].

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.

Signed

20 October 2023
Simple Accounting NW Ltd
4-4a Blackburn Road
Accrington
BB5 1HD

The Sophie Lancaster Foundation
Statement of Income and Retained Earnings
For the Period 1 November 2021 to 31 December 2022

	Notes	31 December 2022 £	31 October 2021 £
TURNOVER		168,060	126,564
Cost of sales		(49,065)	-
		<hr/>	<hr/>
GROSS SURPLUS		118,995	126,564
Administrative expenses		(136,138)	(125,171)
		<hr/>	<hr/>
OPERATING (DEFICIT)/SURPLUS		(17,143)	1,393
Other interest receivable and similar income		44	11
Interest payable and similar charges		-	(93)
		<hr/>	<hr/>
(DEFICIT)/SURPLUS FOR THE FINANCIAL PERIOD		(17,099)	1,311
		<hr/> <hr/>	<hr/> <hr/>
RETAINED EARNINGS			
As at 1 November 2021		1,311	-
As at 31 December 2022		(15,788)	1,311
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 10 to 12 form part of these financial statements.

The Sophie Lancaster Foundation
Statement of Financial Position
As At 31 December 2022

		31 December 2022		31 October 2021	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible Assets	4		6,069		8,569
			6,069		8,569
CURRENT ASSETS					
Stocks	5	16,771		16,771	
Debtors	6	20,572		10,842	
Cash at bank and in hand		105,491		133,622	
		142,834		161,235	
Creditors: Amounts Falling Due Within One Year	7	(5,898)		(9,700)	
NET CURRENT ASSETS (LIABILITIES)			136,936		151,535
TOTAL ASSETS LESS CURRENT LIABILITIES			143,005		160,104
NET ASSETS			143,005		160,104
Funds of the charity:					
Unrestricted funds			3,200		3,200
Restricted funds			139,805		156,904
Total FUNDS			143,005		160,104

For the period ending 31 December 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' Responsibilities:

- The members have not required the charity to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 10 to 12 were approved by the trustees, and authorized for issue on 20 October 2023 and signed on their behalf by:

Ms Fiona Horton
Director
20 October 2023

**The Sophie Lancaster Foundation
Notes to the Financial Statements
For the Period 1 November 2021 to 31 December 2022**

1. General Information

The Sophie Lancaster Foundation is a private company, limited by guarantee, incorporated in England & Wales, registered number 06728103. The registered office is 87 Deardengate, Haslingden, Rossendale, BB4 5SN.

2. Accounting Policies

2.1 Summary of significant accounting policies and key accounting estimates

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

2.2 Statement of compliance

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

2.3. Basis of Preparation of Financial Statements

The Sophie Lancaster Foundation meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognized at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes

2.4. Going Concern Disclosure

The directors who are the trustees, have not identified any material uncertainties related to events or conditions that may cast significant doubt about the company's ability to continue as a going concern.

2.5 Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

2.6. Income and endowments

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity becomes entitled to the resources, the trustees are virtually certain they will receive the resources and the monetary value can be measured with sufficient reliability.

Grants and fees are reflected in the accounts when receivable. Donations, gifts and other income are reflected in the accounts when the charity is entitled to the receipt, the amount can be measured with reasonable accuracy and the charity has an unconditional entitlement to the resources.

Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resources and related expenditure are reported gross in the SOFA.

Gifts, including gifts in kind, are accounted for at a reasonable estimate of their value to the charity or the amount actually realised. Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the charity. Gifts in kind used by the charity are included in the SOFA as incoming resources when receivable.

2.7 Expenditure

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

2.8 Raising funds

Fund raising costs are those incurred raising income for the charity through events and promotions. Management and administration costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

2.9 Charitable activities

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

2.10 Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

2.11 Governance costs

Governance costs include costs of the preparation and examination of statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

2.12 Taxation

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

2.13. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor Vehicles	25% Reducing balance
Computer Equipment	25% Reducing balance

2.14 Stocks

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks.

2.15 Trade Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

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

2.16 Cash and cash equivalents

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

2.17 Trade Creditors

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

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

2.18 Fund structure

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

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

2.19 Financial instruments

Classification

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

The Sophie Lancaster Foundation
Notes to the Financial Statements (continued)
For the Period 1 November 2021 to 31 December 2022

4. Tangible Assets

	Motor Vehicles £	Computer Equipment £	Total £
Cost			
As at 1 November 2021	13,850	5,612	19,462
As at 31 December 2022	13,850	5,612	19,462
Depreciation			
As at 1 November 2021	6,215	4,678	10,893
Provided during the period	2,227	273	2,500
As at 31 December 2022	8,442	4,951	13,393
Net Book Value			
As at 31 December 2022	5,408	661	6,069
As at 1 November 2021	7,635	934	8,569

5. Stocks

	31 December 2022 £	31 October 2021 £
Stock	16,771	16,771
	16,771	16,771

6. Debtors

	31 December 2022 £	31 October 2021 £
Due within one year		
Trade debtors	13,105	3,175
Other debtors	7,467	7,667
	20,572	10,842

7. Creditors: Amounts Falling Due Within One Year

	31 December 2022 £	31 October 2021 £
Trade creditors	-	257
Other taxes and social security	3,288	2,144
Net wages	-	1,452
Other creditors	1,805	3,797
Pension account	235	250
Accruals and deferred income	570	1,800
	5,898	9,700

8. Company limited by guarantee

The organisation is a registered charity operated under the rules of its constitution adopted 20 October 2010. The charity is a company limited by guarantee, registered in England and Wales, and does not have share capital. Each of the Trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The Sophie Lancaster Foundation
Detailed Income Statement
For the Period 1 November 2021 to 31 December 2022

	31 December 2022		31 October 2021	
	£	£	£	£
TURNOVER				
Appeals and donations		160,069		49,343
Grants - other agencies		-		58,783
Subscription		2,211		12,264
Other income		5,780		1,199
Rental income		-		4,975
		<u>168,060</u>		<u>126,564</u>
COST OF SALES				
Purchases	45,026		-	
Festival Cost	1,960		-	
Other Direct Cost	2,079		-	
	<u></u>	<u>(49,065)</u>	<u></u>	<u>-</u>
GROSS SURPLUS		118,995		126,564
Administrative Expenses				
Wages and salaries	95,425		89,607	
Employers NI	8,194		3,156	
Employers pensions - defined contributions scheme	1,590		1,302	
Staff training	3,293		-	
Rent and Rates	5,761		5,411	
Light and heat	502		499	
Vehicle running costs	2,623		1,825	
Computer and IT repairs and maintenance	1,236		3,440	
Repairs, renewals and maintenance	257		205	
Insurance	1,823		493	
Printing, postage and stationery	3,276		210	
Advertising and marketing costs	500		7,925	
Telecommunications	2,384		1,169	
Accountancy fees	1,028		760	
Legal and professional fees	3,339		1,426	
Independent examiner's fee	-		3,598	
Trade Subscriptions	-		420	
Depreciation of motor vehicles	2,227		2,545	
Depreciation of office equipment	273		311	
Entertaining	100		-	
Sundry expenses	1,882		869	
Merchant charges	214		-	
PayPal charges	211		-	
	<u></u>	<u>(136,138)</u>	<u></u>	<u>(125,171)</u>
OPERATING (DEFICIT)/SURPLUS		(17,143)		1,393
Other interest receivable and similar income				
Interest on cash deposits	44		11	
	<u>44</u>		<u>11</u>	
		44		11
				...CONTINUED

The Sophie Lancaster Foundation
Detailed Income Statement (continued)
For the Period 1 November 2021 to 31 December 2022

Interest payable and similar charges

Other interest payable	-	93	
	-		(93)
(DEFICIT)/SURPLUS FOR THE FINANCIAL PERIOD	(17,099)		1,311