CHARITY REGISTRATION NUMBER: 1200112

LANCASTER CHURCHES HOUSING PROJECTS

LANCASTER CHURCHES HOUSING PROJECTS

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDING

31st DECEMBER 2025

LANCASTER CHURCHES HOUSING PROJECTS

FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 2025

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LANCASTER CHURCHES HOUSING PROJECTS

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31st DECEMBER 2025

The trustees present their report and the unaudited financial statements of the charity for the year ended 31st December 2025.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Lancaster Churches Housing Projects
Charity registration number	1200112
Principal office	The Sanctuary 46a Slyne Road Lancaster LA1 2HU

THE TRUSTEES

Dr P Gager (Chair)	(Resigned 17th August 2025)
Mr C Gibbons	
Mr R Holdbrook	
Sr R Remke	
Mr J Stephens (Treasurer)	(Resigned 17th August 2025)

INDEPENDENT EXAMINER	Phillip Dennison ACA FCCA 20 Mannin Way Lancaster Business Park Caton Road Lancaster LA1 3SW

OBJECTIVES AND ACTIVITIES

Purposes of the Charity

Lancaster Churches Housing Projects is a registered charity, legally structured as a Charitable Incorporated Organisation (CIO Foundation), and registered with the Charity Commission for England and Wales on 18th August 2022.

Our stated charitable objectives are as follows:

FOR THE PUBLIC BENEFIT, THE RELIEF OF THOSE IN NEED BECAUSE OF FINANCIAL HARDSHIP OR OTHER DISADVANTAGE INCLUDING, BUT NOT EXCLUSIVELY, REFUGEES, VULNERABLE PEOPLE AND OTHERS AT RISK OF BECOMING HOMELESS IN LANCASTER AND THE SURROUNDING AREA, IN PARTICULAR BUT NOT LIMITED TO PROVIDING ACCOMMODATION AND OTHER SUPPORT AND ASSISTANCE.

Public Benefit

The Charity Commission issues guidance on delivering public benefit, which in summary requires that our activities

1. deliver benefits that outweigh any potential detrimental effects
2. benefit the public in general, or a sufficient section of the public, rather than providing excessive personal benefit to individuals or organisations

The Trustees have had regard to this guidance in managing the activities of the Charity and believe our activities meet these requirements. Specifically, our activities provide benefit to those who live in the area administered by Lancaster City Council.

Our activities during the period of this report have been centred on the completion of the refurbishment works necessary to launch the project, and the first operating months with tenants in the property.

STRUCTURE, GOVERANCE AND MANAGEMENT

Lancaster Churches Housing Projects is a registered charity, legally structured as a Charitable Incorporated Organisation (CIO Foundation), and registered with the Charity Commission for England and Wales on 18th August 2022.

Board of Trustees

The constitution specifies there must be a minimum of three Trustees, but no maximum number. Trustees are appointed for a term of three years, and can serve a maximum of three terms consecutively, but may be appointed again after a break of at least one year. In line with the founding constitution, all Trustee appointments must be approved by the PCC of St Thomas Lancaster. However the constitution was amended in February 2026 in line with the charity's change in name, and this requirement was removed. No Trustee receives remuneration.

There are currently three Trustees, all of whom served from the formation of the CIO through to the end of the period of this report.

During the first part of 2025 Philip Gager and John Stephens both tendered their resignations from the board of trustees, to take effect at the end of their three-year term on 17th August 2025. The remaining trustees have opted to continue serving and work has continued throughout 2026 to secure additional trustees to strengthen the board. John Stephens continues to support the Trustees informally.

Dr Philip Gager	Chair of Trustees (until 17th August 2025)
Mr Chris Gibbons	Trustee
Mr Robert Holdbrook	Trustee
Dr Robyn Remke	Trustee
Mr John Stephens	Trustee and Treasurer (until 17th August 2025)

Formal and informal Trustee meetings are held frequently, and at least monthly – either in person or virtually. There is now no separate management committee.

Banking and Finance

Our main business banking facility is with National Westminster Bank, Barrow-in-Furness branch at 113 Dalton Road, Barrow-in-Furness, Cumbria. LA14 1WY.

Capital funding for our activities has mainly been sourced through loans and gifts from the members of St Thomas Church Lancaster, and associated parties.

Accounting and Audit

For the period of this report, audit and accounting services have been provided by

CWR Chartered Accountants Ltd
Mannin Way, Lancaster Business Park, Caton Road, Lancaster. LA1 3SW

Legal

During the period of this report no further legal services have been required, however our contact remains as

Arnold Greenwood LLP
Exchange Chambers, 8 & 10 Highgate, Kendal, Cumbria. LA9 4SX

Review of Activities

2025 was a challenging year for the project, with a number of obstacles to overcome. Having been granted planning permission for change of use late in 2024, an application for an HMO licence was submitted to Lancaster City Council, and approval received in March 2025 – enabling the project to go ahead and accept tenants as envisioned.

Separation from St Thomas Lancaster

A change in direction and leadership at St Thomas Lancaster, where the project had begun, meant that the charity was no longer considered integral to the PCC's vision. As a result, considerable time was spent working with the PCC during H1 2025 to establish an appropriate way forward for the charity and what the structure of the relationship would look like in the future.

During this period, it was difficult to make any further progress with the refurbishment works because the likely outcome of the discussions with the PCC was unclear, and the commitment of further funding from the charity's reserves would have been a risk.

Ultimately, it became clear that the only route forward to enable the charity to continue was for the Trustees to agree to work towards complete independence from St Thomas Lancaster, including a name change to ensure there was no future accountability for the project (or appearance of such) for the PCC.

Finalising the Refurbishment Phase

Once this position became clear in July, the Trustees agreed that the best course of action was to restart the refurbishment works as quickly as possible and commit to the ambitious objective of opening the property for tenants by 1st September 2025. The agreed administrative works to separate from St Thomas Lancaster were put on hold, with the priority being the preparation and launch of The Sanctuary.

Final works were completed, and with the HMO licence already in place, The Sanctuary received its first tenant on 1st September 2025. We thank God for his blessing and grace in enabling this amazing achievement.

Commencing the Operational Phase

The acceleration of the project from 1st September was very positive, and a further two tenants had moved in within three weeks. The property was fully occupied for the first time from mid-October 2025, just 6 weeks after launch.

As an addendum, to date eleven tenants have benefitted from The Sanctuary – only one of the original tenants still remains 12 months on, and seven tenants have enjoyed the welcome, support and hospitality for a period before managing to move on to working and living independently, some locally and some elsewhere in the UK.
Administrative

Later in 2025, once the first tenants had all moved in and the property was fully occupied, the Trustees began work on what an independent charity would look like and what would need to change to deliver this.

Early in 2026, the charity renamed to become 'Lancaster Churches Housing Projects', with a vision to expand the reach of the mission and to engage other local churches in partnerships and further ventures in future. All Trustees remain committed to the project and there were no changes in respect of The Sanctuary itself.

We remain grateful to the PCC at St Thomas Lancaster for their ongoing support and for working with us patiently through the journey of becoming and independent and self-sufficient charity.

FINANCIAL REVIEW

Going Concern

After making appropriate enquiries, the board of Trustees has a reasonable expectation that the CIO has adequate resources to continue operational existence for the foreseeable future. For this reason, it has adopted the going concern basis in preparing the financial statements.

Financial Report

The CIO's accounts have been inspected by our accountants CWR for approval by the board of Trustees at its meeting in October 2026.

As noted in the review of activities above, the period of this report covers the final phases of the refurbishment of the property and the transition to the first phase of operations. The financial position in the first nine months relates to the former, and the transactions in late Q3 and Q4 relate to the first operational period and the start of true 'revenue'.

We remain grateful to God for the generous donations of the church members and other associated parties at St Thomas Lancaster, who have kindly given and lent substantial funds to enable the project to continue. Revenue generated throughout 2025 relates to rental income from the host couple, who moved into the property in May 2024, with the true tenant revenue stream beginning in September 2025.

Total income during 2025 of £30,000 relates in part to substantial further donations from members and associates of St Thomas, Lancaster. In addition, the Trustees were able to submit Gift Aid claims to HMRC, releasing further income to re-invest in the completion of the property works. The balance of the income relates to rent payments from the host couple for the whole period, and from the tenants as they began to occupy from September onwards.
Total operational expenses during 2025 of some £11,000 relate mainly to insurances, utility costs and council tax incurred, along with some minor property repairs and the final balance of the refurbishment works.

Capital expenditure on the property amounted to £4,000 in the period, relating entirely to the remainder of the refurbishment works, final carpeting and flooring where required, and the conclusion of the building control approval process.

As a result, we closed 2025 with net equity of £80,000, although still with limited liquid funds in the bank. The outlook for 2026 remains positive as we look towards our first full year of operation, providing the welcome, hospitality and support the project has always been intended for.

Reserves Policy

As an interim arrangement, the Trustees agreed to retain £5,000 as a reserves fund to allow for emergency expenditure if required whilst the refurbishment project was underway. This policy was adhered to throughout 2025 and into 2026, but it is recognised by the Trustees that a review is required now that the project is fully operational.

Investment Policy

Any investments are agreed by the Trustees, which has regard to the Charity Commission guidance in relation to Charity investment policy.

LANCASTER CHURCHES HOUSING PROJECTS

TRUSTEES' ANNUAL REPORT ***(continued)***

YEAR ENDED 31st DECEMBER 2025

Risk Management

The Trustees examine the major risks that the Charity faces and incorporate these into the budgeting and financial planning activities. At this stage of the charity's development, formal policies and risk mitigation systems have yet to be implemented but will be put in place as the charity becomes financially operational through 2026.

Trustees Responsibility in Relation to the Financial Statements

Law applicable to Charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgments and estimates that are reasonable and prudent
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departure disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume the Charity will continue in business

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustee's report was approved by the board of Trustees on 19th October 2026 and signed on its behalf by:

John Stephens, Oct 19, 2026, 8:59 am

John Stephens, Treasurer - on behalf of the Trustees

LANCASTER CHURCHES HOUSING PROJECTS

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF LANCASTER CHURCHES HOUSING PROJECTS

YEAR ENDED 31st DECEMBER 2025

I report to the trustees on my examination of the financial statements of Lancaster Churches Housing Projects ('the charity') for the year ended 31st December 2025.

RESPONSIBILITIES AND BASIS OF REPORT

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

INDEPENDENT EXAMINER'S STATEMENT

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

P Dea

Phillip Dennison ACA FCCA
Independent Examiner

20 Mannin Way
Lancaster Business Park
Caton Road
Lancaster
LA1 3SW

LANCASTER CHURCHES HOUSING PROJECTS

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31st DECEMBER 2025

	Note	2025 Restricted funds £	2025 Total funds £	2024 Total funds £
Income and endowments				
Donations and legacies	4	15,989	15,989	51,110
Charitable activities	5	13,650	13,650	4,157
Investment income	6	39	39	16
Total income		29,678	29,678	55,283
Expenditure				
Expenditure on charitable activities	7,8	10,870	10,870	8,623
Total expenditure		10,870	10,870	8,623
Net income and net movement in funds		18,808	18,808	46,660
Reconciliation of funds				
Total funds brought forward		60,226	60,226	13,566
Total funds carried forward		79,034	79,034	60,226

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

The notes on pages 10 to 15 form part of these financial statements.

LANCASTER CHURCHES HOUSING PROJECTS

STATEMENT OF FINANCIAL POSITION

31st DECEMBER 2025

	Note	2025 £	£	2024 £
FIXED ASSETS				
Tangible fixed assets	**12**		434,214	430,104
CURRENT ASSETS				
Debtors	**13**	900		–
Cash at bank and in hand		9,017		5,768
		9,917		5,768
CREDITORS: amounts falling due within one year	**14**	1,095		1,644
NET CURRENT ASSETS			8,822	4,124
TOTAL ASSETS LESS CURRENT LIABILITIES			443,036	434,228
CREDITORS: amounts falling due after more than one year	**15**		364,002	374,002
NET ASSETS			79,034	60,226
FUNDS OF THE CHARITY				
Restricted funds			79,034	60,226
Total charity funds	**16**		79,034	60,226

These financial statements were approved by the board of trustees and authorised for issue on ....., and are signed on behalf of the board by:

19 Oct 2026

Mr C Gibbons
Trustee

Chris Gibbons (Oct 25, 2026, 11:31am)

Mr R Holdbrook
Trustee

Bobby Holdbrook (Oct 25, 2026, 9:15pm)

The notes on pages 10 to 15 form part of these financial statements.

LANCASTER CHURCHES HOUSING PROJECTS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 2025

1. GENERAL INFORMATION

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is St Thomas Church, Marton Street, Lancaster, LA1 1XX.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

GOING CONCERN

There are no material uncertainties about the charity's ability to continue.

JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

In the opinion of the trustees there have been no significant judgements made in the process of applying the accounting policies.

FUND ACCOUNTING

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

3. ACCOUNTING POLICIES *(continued)*

INCOMING RESOURCES

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

RESOURCES EXPENDED

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

TANGIBLE ASSETS

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

3. ACCOUNTING POLICIES *(continued)*

TANGIBLE ASSETS *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

IMPAIRMENT OF FIXED ASSETS

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

4. DONATIONS AND LEGACIES

	Restricted Funds	**Total Funds 2025**	Restricted Funds	Total Funds 2024
	£	**£**	£	£
DONATIONS				
Donations	15,989	15,989	51,110	51,110

5. CHARITABLE ACTIVITIES

	Restricted Funds	**Total Funds 2025**	Restricted Funds	Total Funds 2024
	£	**£**	£	£
Rental income	13,650	13,650	4,157	4,157

6. INVESTMENT INCOME

	Restricted Funds	**Total Funds 2025**	Restricted Funds	Total Funds 2024
	£	**£**	£	£
Bank interest receivable	39	39	16	16

7. EXPENDITURE ON CHARITABLE ACTIVITIES BY FUND TYPE

	Restricted Funds £	**Total Funds 2025 £**	Restricted Funds £	Total Funds 2024 £
Domestic items	190	190	409	409
Loan interest and finance costs	–	–	9	9
Other property costs	1,544	1,544	1,636	1,636
Property repairs	809	809	152	152
Rents, rates and insurances	7,655	7,655	5,804	5,804
Services provided	216	216	177	177
Support costs	456	456	436	436
	10,870	10,870	8,623	8,623

8. EXPENDITURE ON CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly £	Support costs £	**Total funds 2025 £**	Total fund 2024 £
Domestic items	190	–	190	409
Loan interest and finance costs	–	–	–	9
Other property costs	1,544	–	1,544	1,636
Property repairs	809	–	809	152
Rents, rates and insurances	7,655	–	7,655	5,804
Services provided	216	–	216	177
Governance costs	–	456	456	436
	10,414	456	10,870	8,623

9. INDEPENDENT EXAMINATION FEES

	2025 £	2024 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	480	438

10. STAFF COSTS

The average head count of employees during the year was Nil (2024: Nil).

No employee received employee benefits of more than £60,000 during the year (2024: Nil).

11. TRUSTEE REMUNERATION AND EXPENSES

None of the trustees (or any persons connected with them) received any remuneration during the year (2024: £nil).

12. TANGIBLE FIXED ASSETS

	Freehold property £
Cost	
At 1st January 2025	430,104
Additions	4,110
At 31st December 2025	434,214
Depreciation	
At 1st January 2025 and 31st December 2025	–
Carrying amount	
At 31st December 2025	434,214
At 31st December 2024	430,104

13. DEBTORS

	2025 £	2024 £
Trade debtors	900	–

14. CREDITORS: amounts falling due within one year

	2025 £	2024 £
Trade creditors	64	631
Accruals and deferred income	1,031	1,013
	1,095	1,644

15. CREDITORS: amounts falling due after more than one year

	2025 £	2024 £
Loans	364,002	374,002

16. ANALYSIS OF CHARITABLE FUNDS

Restricted funds

	At 1st January 2025 £	Income £	Expenditure £	**At 31st December 2025 £**
Restricted Fund	60,226	29,678	(10,870)	79,034

	At 1st January 2024 £	Income £	Expenditure £	At 31st December 2024 £
Restricted Fund	13,566	55,283	(8,623)	60,226

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted Funds £	**Total Funds 2025 £**
Tangible fixed assets	434,214	434,214
Current assets	9,917	9,917
Creditors less than 1 year	(1,095)	(1,095)
Creditors greater than 1 year	(364,002)	(364,002)
Net assets	79,034	79,034

	Restricted Funds £	Total Funds 2024 £
Tangible fixed assets	430,104	430,104
Current assets	5,768	5,768
Creditors less than 1 year	(1,644)	(1,644)
Creditors greater than 1 year	(374,002)	(374,002)
Net assets	60,226	60,226