Docusign Envelope ID: D76EFC3E-14C3-8DCC-812B-B4177CCEF3FD

Company Registration No: SC086651
Charity Registration No: SC016293



Sacro
(A company limited by guarantee)
Financial statements and Trustees' Report
For the year ended 31 March 2026

Docusign Envelope ID: D76EFC3E-14C3-8DCC-812B-B4177CCEF3FD

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Reference and administrative information

Directors

Jonathan Beck (Chair)
Alistair Brown (ceased on 1 May 25)
Natalya Macholla
Jane Davidson (ceased on 14 October 25)
Greg Maxwell
Kimberly Johnstone (appointed on 30 April 25)
Mhairi Wylie (appointed on 30 April 25)
Jayne Laidlaw
David Mackie
Kerri Maciver
Faye Shaw (ceased on 26 September 25)
Kate Clement (appointed 30 April 25)

Observer

Stephen Harper – Community Justice Operational Unit, Justice Department
Scottish Government

Chief Executive
Annie Mauger-Thompson

President
The Rt. Hon. Lord Carloway

Secretary
Annie Mauger-Thompson

Honorary President
The Rt. Hon. Lord Cullen of Whitekirk

Registered Office
112 Commercial Street
Edinburgh
EH6 6NF

Auditors
Wbg (Audit) Limited
168 Bath Street
Glasgow
G2 4TP

Bankers
Bank of Scotland
20-22 Shandwick Place
Edinburgh
EH2 4RN

Solicitors
CMS Cameron McKenna
Saltire Court
20 Castle Terrace
Edinburgh EH1 2EN

Company registration number SC086651
Charity number SC016293

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Report of the Trustees and Strategic Report
For the year ended 31 March 2026

The Trustees present their annual strategic report and audited financial statements for the year ended 31 March 2026.

The financial statements have been prepared in accordance with current statutory requirements, the Articles of Association and the Statement of Recommended Practice - "Accounting and Reporting by Charities" (SORP FRS 102).

The legal and administrative information on the preceding page forms part of the report.

Structure, governance and management
Sacro is a company limited by guarantee (SC086651) and is registered as a Scottish Charity (SC016293). The trustees of Sacro are also the members of the Company. Every member of the Company undertakes to contribute to the assets of the Company in the event of its being wound up while they are a member, or within one year after they ceased to be a member, such amount as may be required but not exceeding £5.

The management of the Company is the responsibility of the trustees, who are elected under the terms of the Articles of Association.

Day to day management of Sacro is delegated by the trustees to the Chief Executive.

Trustees appointed to the Board have relevant experience and expertise as well as a commitment to the values, goals and objectives of Sacro. An induction programme, meetings with staff and visits to services are arranged for each new trustee.

An annual skills audit and self-assessment of board performance is undertaken each year. New trustees are appointed after a recruitment process based on a job description and person specification and an assessment of any gaps in the skills audit. All appointments are managed by the Appointments and Remuneration Committee.

Sacro operates three sub-committees to review information and to make recommendations to the Board, and trustees are appointed to these committees based on their individual knowledge, experience and skills.

Finance, Audit and Business Committee
The Finance, Audit and Business Committee reviews all financial information including the financial statements and audit reports, budgets, projections, business development and considers the strategic position of the charity.

The Committee makes recommendations regarding annual pay awards for staff to the board, based on a comprehensive review of current market conditions.

Standards, People, Performance and Risk
The Standards, People, Performance and Risk committee considers all human resources, service quality and performance issues. The Committee also focuses on compliance and reporting to the Care Inspectorate and scrutinises the Strategic Risk Register.

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Appointments and Remuneration
The Appointments & Remuneration committee plans and commissions the recruitment process for new trustees. This Committee also considers any major changes in organisational structure or executive roles or salaries and leads on executive level appointments.

Organisational Structure
Sacro has a streamlined structure to drive continuous improvement and innovation and identify areas of development. The three service directorates are as follows:

- **Justice**: focusing on a range of justice services including throughcare, bail supervision and diversion from prosecution.
- **Public Protection and Community Safety**: focusing on intensive support services, domestic abuse and gender based violence, restorative justice and custody support.
- **Corporate Services**: providing the support to the organisation for finance, human resources, technical infrastructure, regulatory compliance and business development.

Strategic plan 2020-25 (extended to 2027)
Sacro's vision and mission are as follows:

Sacro's Vision: Scotland will be a place of safety, inclusiveness and wellbeing for everyone.
Sacro's Mission: To deliver life changing services that empower people, give hope and protection, and help to build safe communities.

The current strategic plan was developed in 2020 and revised in 2023. The board have recently agreed to extend the current strategic period to 2027. The strategy focuses on putting people at the heart of the development of services and recognises the diversity of the services that Sacro now provides. The trustees consider progress against the strategy at every board meeting.

The strategy is underpinned by three key pillars:
- To co-produce our services with the people we work with
- To ensure that our services are trauma responsive
- To put equality, diversity and inclusion as a key focus in everything we do.

The overall strategy is also supported by business development strategy and a focus on innovation and co-production in service delivery. We are in the process of implementing a new outcomes framework to provide meaningful measurement against out strategic objectives based on evidence of change to people's lives and systems.

Review of achievements and performance for the year ended 31 March 2026
Despite an increasingly challenging environment, Sacro has continued to lead the sector in innovative and impactful justice services. We have seen changes in our funding mix as we have been increasingly successful in grants and awards, whilst local authorities have seen shrinkage in budgets and their ability to commission new services.

We launched Upside, the national throughcare partnership on April 1st, 2025. Sacro hosts the national team and infrastructure, as well as having a sizeable team of workers delivering the service in designated parts of the country. There have been significant challenges due to the Emergency Early Release Programme, but we have continued to deliver consistently. Our leadership of this programme has

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contributed to a strong reputation and new opportunities to work in partnership, as well as a significant increase in revenue.

We have been successful in some new funding bids including the new gender based violence service, Safe Harbour which is funded by the National Lottery (£303k over two years), and a sizable grant for our veterans mentoring service from the Veterans Foundation (£196k over two years). We have received additional funding to expand services from North Lanarkshire Council and Moray Council.

We have invested some of our surplus reserves in projects which will drive growth and productivity including new technology and the development of a Learning and Development Framework. Our investment into the Scottish Community Mediation Centre and the Avert service are bringing new growth to the organisation.

Sacro continues to have a high profile on social media and good coverage in print and broadcast media. We meet with representatives of Scottish Government and politicians and partners to fully engage in sector issues. The success of the Upside contract is creating new opportunities for strategic engagement and partnership.

Plans for the future

In 2026-27 we will be focusing on long term sustainability, cost management and seeking new opportunities for development and growth. We will be aiming to reduce overheads whilst realising value from our strategic investments and implementing new initiatives in areas including wellbeing and learning and development to ensure our staff feel valued and are able to contribute fully to Sacro.

We will be aiming to strengthen our partnerships and use the outcomes of our programmes to influence change in policy implementation by collaborating with others and amplifying the voice of the people that we work with and who work for us.

Financial review

The principal sources of funding during the financial year were grants and contracts with local authorities and the Scottish Government.

Excluding net interest on the pension scheme, Sacro recorded an operating deficit of £502,310 for the year ended 31 March 2026, compared to an operating deficit of £258,826 for the year ended 31 March 2025. Including net interest on the pension scheme, Sacro recorded net income of £707,690 for the year compared to net income of £529,174 in the year to 31 March 2025. These figures also do not include the actuarial gain on the pension scheme which was a gain of £1,402,000 (2025: gain of £2,866,000). As per the current guidance on the restriction of recognition of pension assets, the pension asset of £24,256,000 (2025: £21,644,000) has not been recognised. This has resulted in the charity making an overall deficit of £502,310 (2025: deficit of £258,826).

The balance sheet shows a net asset position of £2,501,938 (2025: £3,004,248), following the de-recognition of the pension asset.

The financial environment in which Sacro operates remains challenging, and the organisation continues to adapt to its changing circumstances.

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Risk management
The trustees review the risk register at every board meeting with an analysis of major risks of which Sacro is aware and their mitigations. Board committees also consider risk in their relevant areas on a more detailed basis at each meeting. Where appropriate, actions and procedures required to strengthen the existing systems have been identified and instigated as part of the Corporate Risk Action Plan and progress is monitored against the agreed timetable at each meeting.

The risk register is broken down into the following risk areas which are considered appropriate by the Board:

- Reputation and relationships
- Governance and Leadership
- Finance and sustainability
- People and Culture
- Legal and Statutory
- Information and data
- Business delivery
- Governance

Risks are considered for each area and a risk level attached from low to very high.

Reserves policy
The trustees have considered the requirement for general reserves that are not designated for specific purposes or otherwise committed. In doing so they have considered the need for adequate working capital in services that have little or no reserves. They have also considered the resources necessary for Corporate Services to deliver management and support services. The reserves policy has been agreed taking into account three months running costs that is considered necessary to arrange an organised closure of a service should funding be withdrawn.

Restricted reserves at 31 March 2026 amount to £295,279 (2025: £350,076) which comprises funds held in respect of services/projects which continue beyond the balance sheet date.

Unrestricted reserves excluding designated and pension assets at 31 March 2026 amounted to £2,007,958 (2025: £2,495,359). This includes provision for financial commitments including service implementation and decommissioning, investment in infrastructure to ensure efficiency and effectiveness, and approximately three months sustained operational activity to safeguard existing service users.

The level of unrestricted reserves is considered sufficient to meet these requirements and Sacro's policy of maintaining a minimum three months running costs of the remaining service, which amounts to approximately £1,800,000.

Key management personnel remuneration
Sacro's Executive Team comprises the Chief Executive, Chief Operating Officer, Director of Justice, Director of Communications and Engagement and Director of Public Protection and Community Safety. The salaries for the executive team are considered annually by the Appointments and Remuneration Committee and recommendations are made to the board who make the final decision on all staff salaries. During the current year a 2% salary increase was agreed for all employees including the executive team.

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Contributions are made to the defined benefit pension scheme for none of the members (2025: 0). The total staff costs for the 4 members (2025: 4) is analysed as:

	2026	2025
	£	£
Salaries and wages	309,783	311,204
Social security costs	43,465	37,925
Pension – Defined contribution (Aegon)	18,030	18,258
	371,278	367,387

Pension (including pension reserve)
During the year, payments were made to a defined benefit scheme, Strathclyde Pension Fund, and to two defined contribution schemes, AEGON and People's Pension. Following a process of extensive communication and due diligence, the Strathclyde pension scheme was closed to new members on 30 September 2013. The defined contribution group pension scheme was opened with AEGON on 1 October 2013 for all new employees.

Defined benefit pension reserve
Following the implementation of FRS 102, these financial statements include the impact of the most recent valuation of the defined benefit pension fund. Sacro commissioned a review of the actuarial assumptions used for the pension valuation by independent pension advisors. The revised actuarial assumptions more accurately reflect Sacro's position, and have been used by the pension actuary in the pension valuation as at 31 March 2026. The pension fund asset for the year ended 31 March 2026 is £nil (2025: £nil), following the adoption of current guidance on the restriction of recognition of pension assets where no direct access to realise these assets can be identified.

Donations in kind
Sacro appreciates the support of its volunteers and trustees, who give their time freely, and who are involved in the following activities:

- Mediation
- Governance
- Prison visiting transport
- Prisoner and families of prisoner support
- Supported accommodation, and
- Youth justice

Funds held as custodian
Sacro hold funds as custodian in respect of the Upside Programme funded by the Scottish Government. As the lead partner for the service, part of the funding is due to the other partners who work with Sacro to deliver the service. These funds are held separately in Sacro's financial records to ensure clarity over the amounts which are due to the other partners.

Equal opportunities and disability
Sacro's key value of promoting equality of opportunity acknowledges that all the people we work with, our staff and volunteers, irrespective of age, disability, marriage and civil partnership, race, religion or belief, sexual orientation, gender reassignment, pregnancy and maternity or offending background are entitled an environment free from discrimination, intimidation, bullying or harassment. In line with its

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responsibilities under the Equality Act 2010, we will not tolerate or condone any form of discrimination, bullying or harassment.

- We will make every effort to prevent discrimination or other unfair treatment against any of our staff, volunteers or service users.
- All staff and volunteers will be given equality of opportunity in all aspects of recruitment, employment, training and career development.
- All staff and volunteers are responsible for their own behaviour and must ensure that they comply with the policies and procedures of Sacro and highlight any instances where discrimination or harassment takes place.
- Applications for employment by people with disabilities are given full and fair consideration for all vacancies and reasonable adjustments made as necessary
- Training, career development and promotion opportunities are available to all employees.

Connected charity
On 10 October 1994, the Board of Directors approved a Trust Deed setting up the Sacro Trust. The trustees of the Sacro Trust comprise ex-officio the Chairperson and two nominated independent trustees. Responsibility for assessment of grants made by Sacro Trust are delegated by the trustees to Sacro staff in the Corporate Services directorate. The affairs of the Sacro Trust are examined independently from those of Sacro. The contact address is the same as the registered office of Sacro.

Trustees responsibilities in relation to the financial statements
The trustees of Sacro (who are also Directors of Sacro for the purposes of company law) are responsible for preparing the Report of the Trustees and Strategic Report and the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Principles).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of Sacro and of the incoming resources and application of resources, including the income and expenditure, of Sacro for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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 Sacro will continue in business.
- observe the methods and principles in the Charities SORP.

The trustees are responsible for keeping proper accounting records that 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, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of Sacro and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom

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governing the preparation and dissemination of financial statements may differ from legislation in other jurisdiction.

In so far as the trustees are aware:

a) there is no relevant audit information of which Sacro's auditors are unaware; and
b) the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Signed by order of the Board of Directors on 10 September 2026.

Signed by:
Jonathan Beck
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Jonathan Beck
Chair

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Independent auditor's report to the members and Trustees of Sacro
For the year ended 31 March 2026

Opinion
We have audited the financial statements of SACRO (the 'charitable company') for the year ended 31st March 2026 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2026, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to the going concern are described in the relevant sections of this report.

Other information
The other information comprises the information included in the Report and Financial Statements other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report and Financial Statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.
Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the

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course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees and Strategic Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees
As explained more fully in the trustees' responsibilities statement set out on pages 7 and 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures response to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing the risks or material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations we considered the following:

- The nature of the charity, the environment in which it operates and the control procedures implemented by management and the trustees; and
- Our enquiries of management and trustees about their identification and assessment of the risk of irregularities.

Based on our understanding of the charity and the sector we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to:

- Regulations and legislation pertinent to the charity's operations; and
- The charity's memorandum & articles.

We considered the extent to which non-compliance might have a material impact on the financial statements. We also considered those laws and regulations which have a direct impact on the preparation of the financial statements, such as the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006. We evaluated management and trustees' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of management override of controls), and determined that the principal risks were related to:

- Posting inappropriate journal entries.

Audit response to the risks identified

Our procedures to respond to the risks identified included the following:

- Gaining an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements.

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- Enquiring of management, trustees and legal advisors concerning actual and potential litigations and claims.
- Reading minutes of meetings of those charged with governance.
- In addressing the risk of fraud as a result of management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; evaluating business rationale of any significant transactions that are unusual or outside the normal course of business. We scrutinised the general ledger for the following:
    - Duplicate journal entries
    - Unbalanced journal entries
    - Journals with detail which included key phrases or words
    - Journals posted at unusual times

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at:https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsiblities-for-audit.aspx. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006.
Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:
Wbg (Audit) Limited
0575527041FA406...

Claire Dalrymple, FCCA
Senior Statutory Auditor
For and on behalf of Wbg (Audit) Limited, Statutory Auditor

168 Bath Street
Glasgow
G2 4TP

Date: 10 September 2026

Wbg (Audit) Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

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sacro

Statement of financial activities
(Including an Income and Expenditure account)
For the year ended 31 March 2026

	Note	Restricted funds 2026 £	Unrestricted funds 2026 £	Total funds 2026 £	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £
Income from:							
Donations	*4*	-	1,138	1,138	-	1,194	1,194
Voluntary income	*5*	-	435,312	435,312	-	435,312	435,312
Investment income	*6*	-	46,877	46,877	-	74,961	74,961
Other income	*18*	-	1,254,000	1,254,000	-	862,000	862,000
		-	1,737,327	1,737,327	-	1,373,467	1,373,467
Income from charitable activities							
Justice	*7*	2,293,594	1,161,119	3,454,713	2,226,346	1,056,684	3,283,030
Community Safety	*7*	323,760	2,474,679	2,798,439	313,572	2,232,092	2,545,664
		2,617,354	3,635,798	6,253,152	2,539,918	3,288,776	5,828,694
Total income		**2,617,354**	**5,373,125**	**7,990,479**	**2,539,918**	**4,662,243**	**7,202,161**
Expenditure on:							
Justice	*8*	2,304,437	1,863,467	4,167,904	2,253,160	1,746,167	3,999,327
Community Safety	*8*	370,902	2,743,983	3,114,885	317,238	2,356,422	2,673,660
Total expenditure		**2,675,339**	**4,607,450**	**7,282,789**	**2,570,398**	**4,102,589**	**6,672,987**
Net (expenditure)/income		(57,985)	765,675	707,690	(30,480)	559,654	529,174
Net transfers between funds	*16*	3,188	(3,188)	-	(283,671)	283,671	-
Movement in pension asset arising from re-measurements		-	1,402,000	1,402,000	-	2,866,000	2,866,000
Restriction on pension asset		-	(2,612,000)	(2,612,000)	-	(3,654,000)	(3,654,000)
Net movement in funds		(54,797)	(447,513)	(502,310)	(314,151)	55,325	(258,826)
Total funds brought forward		350,076	2,654,172	3,004,248	664,227	2,598,847	3,263,074
Total funds carried forward		**295,279**	**2,206,659**	**2,501,938**	**350,076**	**2,654,172**	**3,004,248**

The statement of financial activities includes all gains and losses recognised in the year.

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Balance Sheet
As at 31 March 2026

	Notes	2026	2025
		£	£
Fixed assets			
Tangible assets	***12***	448,699	394,821
Current assets			
Debtors	***13***	870,719	796,289
Cash at bank and in hand		2,047,642	2,492,051
		2,918,361	3,288,340
Current liabilities			
Creditors: Amounts falling due within one year	***14***	(865,122)	(678,913)
Net current assets		2,053,239	2,609,427
Net assets		2,501,938	3,004,248
Reserves			
Unrestricted funds			
General funds	***16***	2,007,958	2,495,359
Designated funds	***16***	198,701	158,813
Total unrestricted funds		2,206,659	2,654,172
Restricted funds	***16***	295,279	350,076
Total funds		2,501,938	3,004,248

The financial statements were authorised for issue by the Board on 10 September 2026 and signed on its behalf by:

Signed by:
Jonathan Beck
3D2BEJ7D12864F1...

Jonathan Beck
Chair
Sacro – Registration Number SC086651

The notes on pages 16 to 29 form part of these financial statements.

Docusign Envelope ID: D76EFC3E-14C3-8DCC-812B-B4177CCEF3FD

Statement of cash flow
For the year ended 31 March 2026

	Note	2026 £	2025 £
Cash flows from operating activities			
Net cash used by operating activities	*a)*	(353,313)	(572,334)
Cash flows from investing activities			
Investment income		46,877	74,961
Purchase of fixed asset additions		(137,973)	(112,489)
Net cash used by investing activities		(91,096)	(37,528)
Change in cash and cash equivalents in the year		(444,409)	(609,862)
Cash and cash equivalents brought forward		2,492,051	3,101,913
Cash and cash equivalents carried forward		2,047,642	2,492,051

Note to the cash flow statement	2026 £	2025 £
a) Reconciliation of operating surplus to net cash outflow from operating activities		
Operating surplus	707,690	529,174
Depreciation charge	84,095	76,552
Increase in debtors	(74,430)	(25,354)
Increase / (decrease) in creditors	186,209	(289,745)
Pension fund adjustment (FRS 102)	(1,210,000)	(788,000)
Investment income	(46,877)	(74,961)
Net cash used by operating activities	(353,313)	(572,334)

The notes on pages 16 to 29 form part of these financial statements

Docusign Envelope ID: D76EFC3E-14C3-8DCC-812B-B4177CCEF3FD

Notes to the financial statements
For the year ended 31 March 2026

1. Accounting policies

Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with the Companies Act 2006 and the Charities SORP (FRS 102) Accounting and Reporting by Charities: Statement of Recommended Practice.

The charity constitutes a public benefit entity as defined by FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

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

Funds structure

Unrestricted income funds comprise the general reserve and designated funds, which have been set aside by the Directors to fund specific future projects in the furtherance of Sacro's objectives.

Restricted funds are funds subject to specific restrictions imposed by the donor or funding authority. Where services have closed with surplus funds and these are not going to be clawed back by the funder, these surpluses have been transferred from restricted funds to unrestricted funds.

Income recognition

All incoming resources are included in the statement of financial activities when Sacro 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 Sacro, are recognised when the charity becomes unconditionally entitled to the grant.

- Donated services and facilities are included at the value to Sacro where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Investment income is included when receivable.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as Sacro earns the right to consideration by its performance.

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Income is deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Expenditure recognition
Resources expended are charged directly to charitable activities or governance costs as appropriate. Where it is not possible to attribute costs directly, they are allocated on a basis appropriate to the nature of the expenditure. Support costs are allocated in proportion to each project or service.

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes VAT and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.
- Charitable expenditure comprises those costs incurred by Sacro 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 Sacro 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 statement of financial activities 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 e.g. floor areas, per capita or estimated usage.

Allocation of support and governance costs
Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of Sacro and its compliance with regulation and good practice. These costs include costs related to statutory audit and Trustee expenses.

The allocation of support and governance costs is analysed in note 9.

Pensions
During the year, payments were made to a defined benefit scheme (Strathclyde Pension Fund), two defined contribution schemes (Aegon and People's Pension) and also to a personal pension plan. The cost of pension contributions and actuarial gains are charged to the income and expenditure account and statement of financial activities in the year to which it relates.

The Strathclyde Pension Fund scheme closed to new members on the 30 September 2013. From this date any new staff have the option to join a group personal pension plan operated by Aegon. This is a defined contribution scheme.

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Leases
Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Fixed assets
Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements – 5 years straight line
IT systems – 4 years straight line
Fixtures, fittings & equipment – 4 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in the statement of financial activities. Fixed assets comprise of items costing more than £250.

The work in progress balance relates to the ongoing development of a new IT system. As the IT system has not been brought into use, it is held as a work in progress balance and not depreciated. At the time it is brought into use it will be transferred to the relevant asset category and depreciated as such.

Impairment of fixed assets
At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply.

Debtors
Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions
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 after allowing for any trade discounts due.

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Taxation
The company is a charitable company within the meaning of Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes only.

VAT
The company is not registered for VAT and accordingly expenditure includes VAT as appropriate.

Redundancy
Redundancy payments are made in line with legislation and best practice following consultation and consideration of all alternatives. Amounts are recognised when redundancy has been identified and the amounts are quantifiable.

Employee benefits
The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Judgements and key sources of estimation
In the application of the company's accounting policies, the Directors 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 Directors consider the estimate in respect of the retirement benefit asset to be of particular significance in the preparation of the financial statements. As disclosed in note 18, the charity operated a defined benefit pension scheme up until 30 September 2013 when the scheme was closed to new members. Year-end recognition of the scheme asset requires a number of significant assumptions to be made, relating to rates of mortality, key financial market indicators such as inflation and expectations of future asset returns. These assumptions are made by the charity in conjunction with the schemes' actuaries.

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, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2. Legal status

Sacro is a registered Scottish charity. The charity 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 £5.

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3. Related party transactions and Trustees' expenses and remuneration

The Trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2025: £nil). Trustee expenses of £252 were paid in the year (2025: £362).

During the year no Trustee had any personal interest in a contract or transaction entered into by the charity (2025: nil). The total expenses waived by the Trustees in 2026 were £nil (2025: £nil).

4. Income from donations and legacies

	2026	2025
	£	£
Donations	1,138	1,194

5. Voluntary income

	2026	2025
	£	£
Scottish Government Section 10 Grant	435,312	435,312

6. Investment income

	2026	2025
	£	£
Interest on cash deposits	46,877	74,961

7. Income from charitable activities

	Justice	Community Safety	2026
	£	£	£
Local authorities	1,093,188	2,395,158	3,488,346
Scottish Government	1,669,679	192,528	1,862,207
Other funding providers	594,383	81,766	676,149
Rent, service charges	-	127,587	127,587
Other income	97,463	1,400	98,863
	3,454,713	2,798,439	6,253,152

	Justice	Community Safety	2025
	£	£	£
Local authorities	1,084,175	2,102,732	3,186,907
Scottish Government	869,865	285,317	1,155,182
Other funding providers	1,204,051	40,760	1,244,811
Rent, service charges	-	116,355	116,355
Other income	124,939	500	125,439
	3,283,030	2,545,664	5,828,694

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7. Income from charitable activities *(continued)*

Scottish Government income from charitable activities (as above)

	2026	2025
	£	£
Shine PSP Grant	-	466,716
Scottish Government Tackling Sectarianism Programme	60,000	60,000
Equality Fund	192,528	327,094
National Voluntary Throughcare	1,604,197	295,872
Seldom Heard Communities	4,982	5,500
Community Justice Mediation Support	500	-
	1,862,207	1,155,182

There are no unfulfilled conditions arising from the award of grants.

8. Analysis of expenditure on charitable activities

	Justice	Community Safety	2026
	£	£	£
Direct costs	4,107,836	3,114,885	7,222,721
Governance costs (note 9)	16,068	-	16,068
Pension movement (note 19)	44,000	-	44,000
	4,167,904	3,114,885	7,282,789

	Justice	Community Safety	2025
	£	£	£
Direct costs	3,909,325	2,673,660	6,582,985
Governance costs (note 9)	16,002	-	16,002
Pension movement (note 19)	74,000	-	74,000
	3,999,327	2,673,660	6,672,987

The FRS 102 pension adjustment of £44,000 (2025: £74,000) has been applied to Justice unrestricted expenditure of £1,863,467 (2025: £1,746,167) on the statement of financial activities (page 13). The actual figure before the pension adjustment would be £1,819,467 (2025: £1,672,167).

9. Governance costs

	2026	2025
	£	£
Auditor remuneration	16,068	16,002

Governance costs are allocated to Justice as detailed in note 8.

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10. Total resources expended are stated after charging:

	2026	2025
	£	£
Auditor remuneration – external audit	16,068	16,002
Depreciation	84,095	76,552
Operating lease rentals – land and buildings	149,038	153,891
Operating lease rentals - equipment	3,542	4,303
	252,743	250,748

11. Analysis of staff costs

	2026	2025
	£	£
Salaries and wages	4,882,845	4,413,982
Social security costs	567,703	392,054
Pension – Defined benefit (Strathclyde Pension Fund)	17,765	18,911
Pension – Defined contribution (Aegon)	263,190	230,368
Pension – Defined contribution (People's Pension)	6,926	4,507
	5,738,429	5,059,822

4 (2025: 4) employees received emoluments of more than £60,000 during the year, including all employer national insurance contributions and pension contributions.

	2026	2025
	No	No
£70,001 - £80,000	1	1
£80,001 - £90,000	-	1
£90,001 - £100,000	2	1
£100,000 - £110,000	-	1
£110,001 - £120,000	1	-

	2026	2025
	£	£
Salaries and wages	309,783	311,204
Social security costs	43,465	37,925
Pension – Defined contribution (Aegon)	18,030	18,258
	371,278	367,387

During the year the charity incurred redundancy and termination payments as follows:

		2026	2025
Nature of payment	**Basis of payment**	**£**	**£**
Redundancy payments	Statutory redundancy pay	1,756	2,380

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11. Analysis of staff costs *(continued)*

The average weekly number of persons, by headcount, employed during the year was:

	2026 Number	2025 Number
Employees	191	202

12. Tangible fixed assets

	Work in progress £	Leasehold improvement £	IT system £	Fixtures, fittings & equipment £	Total £
Cost					
At 1 April 2025	88,386	-	270,907	147,843	507,136
Additions	71,051	12,000	-	54,922	137,973
Disposals	-	-	-	(9,964)	(9,964)
At 31 March 2026	159,437	12,000	270,907	192,801	635,145
Depreciation					
At 1 April 2025	-	-	50,481	61,834	112,315
On disposals	-	-	-	(9,964)	(9,964)
Charge for the year	-	-	38,469	45,626	84,095
At 31 March 2026	-	-	88,950	97,496	186,446
Net book value					
At 31 March 2026	159,437	12,000	181,957	95,305	448,699
At 31 March 2025	88,386	-	220,426	86,009	394,821

13. Debtors

	2026 £	2025 £
Grants due from local authorities & Scottish Government	230,737	315,777
Sundry debtors and prepayments	120,462	147,498
Accrued Income	519,520	333,014
	870,719	796,289

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14. Creditors: amounts falling due within one year

	2026	2025
	£	£
Deferred income (see below)	445,109	366,577
Trade creditors	124,890	79,630
Sundry creditors	167,113	102,568
Accruals	128,010	130,138
	865,122	678,913

Deferred income	2026
	£
Balance as at 1 April 2025	366,577
Amount released to income earned from charitable activities	(366,577)
Amount deferred in year	445,109
Balance as at 31 March 2026	445,109

Deferred income comprises service funding relating to 2026/27.

15. Analysis of net assets between funds

	Tangible fixed assets	Debtors	Cash	Current liabilities	Total 2026
	£	£	£	£	£
Restricted funds	-	538,118	112,060	(354,899)	295,279
Unrestricted funds	448,699	332,601	1,935,582	(510,223)	2,206,659
	448,699	870,719	2,047,642	(865,122)	2,501,938

	Tangible fixed assets	Debtors	Cash	Current liabilities	Total 2025
	£	£	£	£	£
Restricted funds	-	415,713	126,349	(191,986)	350,076
Unrestricted funds	394,821	380,576	2,365,702	(486,927)	2,654,172
	394,821	796,289	2,492,051	(678,913)	3,004,248

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16. Analysis of charitable funds

Analysis of fund movements	Balance b/fwd 2025 £	Income £	Expenses £	Transfer £	Gains/ (Losses) £	Fund c/fwd 2026 £
Unrestricted funds						
Staff training	99,032	-	(11,881)	-	-	87,151
Growth fund	59,781	-	(59,781)	111,550	-	111,550
Total designated funds	158,813	-	(71,662)	111,550	-	198,701
General funds	2,495,359	4,119,125	(4,491,788)	(114,738)	-	2,007,958
Total unrestricted funds excluding pension reserve	2,654,172	4,119,125	(4,563,450)	(3,188)	-	2,206,659
Pension fund						
Pension fund	21,644,000	1,254,000	(44,000)	-	1,402,000	24,256,000
Restriction on pension fund net assets	(21,644,000)	-	-	-	(2,612,000)	(24,256,000)
Total unrestricted funds including pension reserve	2,654,172	5,373,125	(4,607,450)	(3,188)	(1,210,000)	2,206,659
Restricted fund						
Justice	306,122	2,293,594	(2,304,437)	-	-	295,279
Community Safety	43,954	323,760	(370,902)	3,188	-	-
Total restricted funds	350,076	2,617,354	(2,675,339)	3,188	-	295,279
TOTAL FUNDS	3,004,248	7,990,479	(7,282,789)	-	(1,210,000)	2,501,938

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16. Analysis of charitable funds (continued)

Analysis of fund movements	Balance b/fwd 2024 £	Income £	Expenses £	Transfer £	Gains/ (Losses) £	Fund c/fwd 2025 £
Unrestricted funds						
Staff training	106,839	-	(7,807)	-	-	99,032
Growth fund	149,781	-	(90,000)	-	-	59,781
Total designated funds	256,620	-	(97,807)	-	-	158,813
General funds	2,342,227	3,800,243	(3,930,782)	283,671	-	2,495,359
Total unrestricted funds excluding pension reserve	2,598,847	3,800,243	(4,028,589)	283,671	-	2,654,172
Pension fund						
Pension fund	17,990,000	862,000	(74,000)	-	2,866,000	21,644,000
Restriction on pension fund net assets	(17,990,000)	-	-	-	(3,654,000)	(21,644,000)
Total unrestricted funds including pension reserve	2,598,847	4,662,243	(4,102,589)	283,671	(788,000)	2,654,172
Restricted fund						
Justice	378,136	2,226,346	(2,253,160)	(45,200)	-	306,122
Community Safety	286,091	313,572	(317,238)	(238,471)	-	43,954
Total restricted funds	664,227	2,539,918	(2,570,398)	(283,671)	-	350,076
TOTAL FUNDS	3,263,074	7,202,161	(6,672,987)	-	(788,000)	3,004,248

a) The unrestricted funds are available to be spent for any of the purposes of the charity.

The Trustees have created the following designated funds:

- £99,032 of funding set aside to meet the cost of future staff training which Sacro is legally obliged to provide. In the current year £11,881 has been utilised against training provided. At the year end £87,151 is carried forward to be utilised in the coming year.
- £59,781 was funding set aside from legacies into a growth fund for Sacro to utilise for development purposes. In the current year £59,781 has been utilised for development of the charity. Additional funds of £111,550 have been set aside from unrestricted funds to cover development plans for the charity, to be utilised in the coming year.

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16. Analysis of charitable funds (continued)

b) The pension fund relates to a defined benefit pension scheme held with The Strathclyde Pension Fund.

c) Restricted funds have been received specifically to support work within:
- Justice directorate; and
- Community Safety directorate.

These funds are held as restricted and accounted for separately. The restrictions imposed relate to the running of services specifically related to Justice and Community Safety purposes. Such funds cannot be used to support the general work of Sacro and are used for specific services as required under the funding agreements.

17. Operating lease commitments

The total commitments on non-cancellable operating leases are as follows:

	Land & buildings	Equipment	2026	2025
	£	£	£	£
On leases expiring –				
Within 1 year	152,082	3,542	155,624	109,383
Between 2 and 5 years	227,557	2,952	230,509	59,719
	379,639	6,494	386,133	169,102

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18. Pension costs

Sacro is a member of The Strathclyde Pension Fund, a defined benefit scheme. During the year ended 31 March 2026 contributions were set at 3.4% (2025: 6.5%). The charge for the year was £17,765 (2025: £18,911) as stated in note 11.

The most recent valuation of the pension scheme was as at 31 March 2026 using the Projected Unit Method. The major assumptions used by the actuary were:

Assumptions	**2026** **% p.a.**	**2025** **% p.a.**
Pension increases	3.00	2.80
Salary increases	3.70	3.50
Discount rate	6.20	5.80

Net pension asset	**2026** **£**	**2025** **£**
Estimated employer assets	44,463,000	41,916,000
Present value of scheme liabilities	(20,188,000)	(20,253,000)
Present value of unfunded liabilities	(19,000)	(19,000)
	(20,207,000)	(20,272,000)
Restriction on net assets	(24,256,000)	(21,644,000)
	-	-

Analysis of the amount charged to net incoming resources	**2026** **£**	**2025** **£**
Current service cost	62,000	93,000
	62,000	93,000

Analysis of amount credited to other finance income	**2026** **£**	**2025** **£**
Interest income on pension plan assets	2,402,000	1,973,000
Interest cost on defined benefit obligation	(1,148,000)	(1,111,000)
	1,254,000	862,000

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18. Pension costs (continued)

Total re-measurements recognised in the statement of financial activities	**2026 £**	**2025 £**
Changes in demographic assumptions	(118,000)	31,000
Changes in financial assumptions	555,000	3,322,000
Other experience re-measurements	(197,000)	248,000
Return on net assets excluding amounts included in net interest	1,162,000	(735,000)
	1,402,000	2,866,000

Movement in surplus during the year	**2026 £**	**2025 £**
Surplus at beginning of the year	-	-
Current service cost	(62,000)	(93,000)
Employer contributions	13,000	14,000
Contributions in respect of unfunded benefits	5,000	5,000
Total net interest	1,254,000	862,000
Total re-measurements recognised in the statement of financial activities (page 12)	1,402,000	2,866,000
Restriction on net assets	(2,612,000)	(3,654,000)
	-	-

19. FRS 102 pension adjustment

The pension as at 31 March 2026 is reported as an asset of £nil (2025: £nil), due to current guidance on the restriction of the recognition of pension assets where no direct access to realise these assets is identifiable.

The actuarial gain for the year is £1,402,000 (2025: £2,866,000).

The impact of the pension movement on the statement of financial activities is summarised as follows:

	2026 £	**2025 £**
Incoming resources		
(Contributions by members less interest on pension liabilities)	1,254,000	862,000
Outgoing resources		
(Current service cost less contributions for unfunded benefits)	(44,000)	(74,000)
	1,210,000	788,000