

# **PILGRIMS' FRIEND SOCIETY**

## **Financial Statements**

**For the year ended 31 March 2025**

**COMPANY NUMBER** 3027071

**CHARITY NUMBER** 1045920

# **PILGRIMS' FRIEND SOCIETY**

## **Contents of the financial statements For the year ended 31 March 2025**

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# PILGRIMS' FRIEND SOCIETY

## Trustees' report (continued) For the year ended 31 March 2025

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### DIRECTORS AND TRUSTEES

Alan Copeman  
Genefer Espejo  
Sheila Warnes

### COMPANY SECRETARY

Julian Hillman

### REGISTERED OFFICE

175 Tower Bridge Road  
London  
SE1 2AL

**COMPANY NUMBER** 3027071  
**CHARITY NUMBER** 1045920

### BANKERS

Lloyds Bank plc  
25 Gresham Street  
London  
EC2V 7HN

### AUDITORS

Xeinadin Audit Limited  
Chartered Accountants  
5 Robin Hood Lane  
Sutton  
Surrey SM1 2SW

### KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the charity were the Trustees and the members of Senior Management Team whose names and responsibilities are listed below:

Stephen Hammersley	<i>Chief Executive Officer</i>
Maureen Sim	<i>Director of Operations</i>
Julian Hillman	<i>Director of Finance</i>
Hugh Lambourne	<i>Director of Property Services</i>
Joshua Field	<i>Director of Human Resources</i>
Alexandra Davis	<i>Director of Marketing</i>

# **PILGRIMS' FRIEND SOCIETY**

## **Trustees' report (continued)**

**For the year ended 31 March 2025**

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The trustees present their report, together with the financial statements of the company for the year ended 31 March 2025. The trustees' report incorporates the directors' report and the strategic report prepared for the purposes of company law.

### **MESSAGE FROM THE CEO**

There is a lot of detail in our numbers, but as in previous years this must not cloud the fact that in an immensely challenging environment, Praise God, we have again delivered very high quality and distinctive Christian Care and Support to people who want to live in a Christian community.

The headline numbers include around £750k of "one off costs" relating to the closure of the Homesdale care home releasing the site for redevelopment and the ongoing costs of our growth and renewal work. Stripping out these costs, our underlying financial performance has been strong.

I am immensely grateful to my colleagues who make this happen and who are an inspiration to me!

The success of Middlefields is a great encouragement to progress our Growth and Renewal Programme, as has been the quality of delivery through our other homes. We still have a lot of work to do to modernise our portfolio of buildings, but we are seeing our vision taking shape whereby we deliver our mission through care homes and housing that generate a financial surplus that we can re-invest in helping more people. Our charitable income plays a vital role in helping us look after people who cannot afford our fees and to reach out into the communities around our homes with help and support. Donations and in particular legacies are also vital to our Growth and Renewal programme.

Strong occupancy has been a hallmark of the year's performance, and we are probably helping more people live well in older age than at any other time in the charity's 218-year history. This is a strong vindication of the trustees' decision to welcome people into our homes who want to live in a Christian environment and to invest in the strength of our Christian care through The Way We Care and Activities and Community Engagement Facilitators for whom we have a Christian occupational requirement. The experience of Middlefields House is important here as we are supporting more people overall than we did in the Pilgrim Home it replaced, we are supporting more people who would have passed the admissions tests we had in place historically for Pilgrim Homes, and we have a richer and more vibrant sense of Christian fellowship as a result.

There is also no doubt in my mind that our vision for helping people who want to live in a Christian Community and our concern for older people in the communities around our homes have been important aspects of attracting Christians to our Senior Management team.

Last year the team we established to help other Christian charities foresee the need to be part of a larger group has allowed us to complete the work to take over the running of Bridgemoor nursing home in Bath and subsequently to welcome Preston Bethany Care into the Group (transaction date 1 April 2025).

There have been many encouragements as we have progressed our work to enable the Christian faith to be advanced amongst older people through our work.

### **MISSION REVIEW**

Our group charitable objects are to advance the Christian faith and meet the spiritual and physical needs of older people. This work is increasingly needed as the numbers of older people grow with a significant unmet need for Christian care and support and growing opportunities to share what we know about living well with older people in the communities around our homes.

# PILGRIMS' FRIEND SOCIETY

## Trustees' report (continued)

For the year ended 31 March 2025

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**Our vision** is to see older people leading fulfilled lives. This means that older people know Jesus, have their physical needs met, and receive the Christian encouragement, care, and support that they need to be fruitful and productive, and live with dignity.

**Our goals** are to have a growing network of residential care homes and independent living housing schemes through which more people receive excellent Christian care and support, and alongside which we will develop local partnerships between our homes, housing, and churches to encourage work amongst older people in the community.

### Our values

We talk regularly about our values with all our stakeholders and know from our twice-yearly staff surveys that they are embedded in the way that we work.

**Compassion** is at the heart of how we interact with people. We offer loving care through relationships based on empathy respect and dignity. We get alongside people and show grace to those who are struggling and do what we can to ease people's burdens. We find new ways to care well for older people.

**Community** is central to human flourishing. We are a community of people who share life together, celebrating victories and supporting each other during challenging times. We share what we do and our vision for the future with others in the wider community.

**Transparency** is being honest and open which is crucial to doing good work. We are honest, open about challenges and looking for solutions. We listen respectfully to each other and when we disagree, we do so without conflict, and we use mistakes as opportunities to learn and grow.

**Excellence** is what we strive for in our work. We strive for excellence, making sure that we go above and beyond in our work. We do go the extra mile to do things as well as we possibly can. We steward our resources carefully and take opportunities to get better at the work we do.

### Our work and culture

We have a bespoke approach to care which sets us apart in our provision of care for older people known as The Way We Care. At the heart, this approach is the understanding that every person living with us is made in the image of God and therefore must be treated as a valued individual who has things to contribute to the life of the community within which they live.

As part of The Way We Care we call those who live with us "family members" as we create communities which are rooted in the idea of being a special kind of family together. As each new "family member" comes to live with us their preferences and personal history is gathered and informs all aspects of their care. It also impacts the kind of activities that are delivered in the home so that each person feels comfortable and welcome.

An important aspect of The Way We Care is about how those living with dementia can flourish in our homes. We employ people whose role is to spend time with those who live with us, whether that's 30 seconds holding a hand and singing a familiar song or hymn, or five minutes looking at a family photo album.

We also employ The Way We Care Leads who have responsibility for embedding this approach throughout each home, helping carers to take person-centre approach, rather than a task-centred approach, to the delivery of care.

# PILGRIMS' FRIEND SOCIETY

## Trustees' report (continued)

For the year ended 31 March 2025

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Our Activities and Community Engagement (ACE) Programme has developed well, and we have been able to welcome more volunteers into our homes and make more connections with the communities around our homes. This has meant that visits from schools, churches, and other groups such as choirs are a regular function of life in our homes and that relationships with churches and others in the communities around our homes are stronger. Each volunteer that we train is better equipped to work well with older people in their churches and neighbourhoods.

The quality of our care remained high during the year with all CQG and Local Authority reviews completed finding good or better care, and our own internal monitoring and carehome.co.uk reviews saying the same. Two of the homes that joined the Group with "Requires Improvement" assessments from CQC still have that rating but they have benefitted from our systems and training, and we would expect better assessments as and when CQC visit.

### Our staff

People are the heart of what we do with our supportive and caring Christian communities not only providing a wonderful care and support for older people but also creating a great working environment for our staff.

We have continued to invest heavily in training, particularly in our care staff. The Way We Care is embedded in our care homes through specialists known as The Way We Care Leads. Our Activity and Community Engagement Facilitators have been trained and equipped to start sharing some of what we know about living well with older people with churches and others in the communities around our homes. During the year we developed The Way We Care by emphasizing that its delivery requires ancillary staff in living well with our family members (in what is called a "whole home approach"), and we have more closely aligned the work of our Activity and Community Engagement Facilitators with our The Way We Care Leads. We have held the first of our "family matters" groups to extend our scope to include more intentionally the relatives of people living with us and planning is well under way for "community cafes" where we open our facilities to people who care in the community.

We listen to our colleagues through six monthly staff surveys and follow up staff forums. We are pleased that our colleagues remain highly committed to their work and very engaged with the charity seeing us as an employer that helps them give of their best. Our staff vacancies rates have reduced significantly over the year, and most of our operations are effectively fully staffed. This has been helped by recruits from overseas, all of whom have been referred to us by existing colleagues or others that we know. We have not used agencies to recruit and so we can be sure that our recruitment and employment of these colleagues has been to the highest ethical standards.

We have continued to invest in our leaders through our annual Senior Management Team conference and a leadership development programme for those who lead teams. We encourage our managers to take spiritual development days to strengthen their capacity to support the spiritual life of their homes and housing and we now have a sabbatical programme intended to provide a measure of refreshment and renewal to long serving management colleagues.

### Growing for the future

We sense a calling to see our unique model of Christian care more widely available around the UK and this vision is encapsulated in what we call our Growth and Renewal Programme.

The Way We Care is at its most powerful when the building we have is designed to support its delivery as is the case at Middlefields House in Chippenham. We have been delighted to see how this building, opened in 2021, with four family sized households of twelve people has led to fulfilled living of the highest order. The home has also exceeded our financial business case assumptions and is producing a surplus that allows us to invest the quality of what we do in Chippenham and elsewhere.

# PILGRIMS' FRIEND SOCIETY

## Trustees' report (continued)

For the year ended 31 March 2025

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During the year we have made multiple approaches for sites close to some of our older buildings seeking to replicate the success of the renewal that we managed in Chippenham. In Worthing and in Harrogate we have been making approaches to purchase existing homes that are newer and have a strong longer-term potential as this is the quickest route to better buildings to which we would hope to move our people.

In the year we have also seen growth as we have welcomed into the Group the transfer of a nursing home in Bath (Bridgemead) and on 1 April 2025 Preston Bethany Care Limited joined the group (Bethany House care home). We were pleased to be able to make a start on improving the flood defences for Bridgemead from the River Avon, and from 1 April we will be negotiating with Preston City Council seeking to transfer the leases for Bethany House to PFS so that we can close the Preston Bethany Care charity.

In terms of new buildings, we have submitted for planning a scheme for a new care home on the site of the Homesdale care home (Wanstead, London) that we had to close in the year. We are in discussions regarding the purchase of a new site in the South Coast area that we hope will strengthen our representation in that area, and we shared with Bedford churches and the residents of Dorothea Court our desire to find a site for a new care home and housing provision in the area.

We have also written to other Christian care homes that are not part of a larger group seeking to provide encouragement, particularly at trustee level. We remain open to the gifting of assets and operations to the Group where we can enhance governance, operational performance and sustain the ongoing delivery of Christian care.

We have continued to support Faith in Later Life, a charity that we incubated, and it has continued to grow now encouraging, equipping, and inspiring over 1050 volunteers working in churches with older people, known as Church Champions. In communities where we do not have care homes and housing then we want to see active Faith in Later Life Church Champions pursuing our charitable objects.

“Christians in Care,” our initiative that supports Christians working in secular care settings has grown well. We are pleased to be helping almost 200 carers to keep going as we encourage them in their work to advance the Christian faith amongst older people.

### **Raising our profile**

Our engagement with press, both local and national, has continued with significant media coverage showcasing the value of older people and what it is like to live with us. The Sunday service broadcast from Middlefields House on Radio 4 was particularly successful in both these regards.

Our magazine, newsletters and prayer letters continue to be regarded highly, and the numbers of subscribers are increasing.

We launched “Empowering Communities to Care” at events in the summer and autumn alongside other leading charities and we have been encouraged by the level of support that our recommendations have attracted for a grassroots, church and community led strand in the drive to join up the provision of care and support for older people. We will continue to represent these ideas to Baroness Casey’s review of adult social care.

Alongside this were regular appearances by Louise Morse and Stephen Hammersley on Christian radio including TWR, UCB and Premier Radio, all of which highlighted our work among older Christians.

# **PILGRIMS' FRIEND SOCIETY**

## **Trustees' report (continued)**

**For the year ended 31 March 2025**

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### **Funding challenges**

Local Authority funding has not kept pace with the increases in care costs driven by factors such as employer national insurance increases (from April 25), increased living wages and significant cost inflation. This means that the difference between Local Authority and private pay rates has grown dramatically over recent years and erodes our financial surplus. As we are not prepared to reduce the quality of our delivery it is hard to see us being able to carry on admitting people with no constraints on the proportion of people funded by local authorities without top-ups.

We continue to receive generous charitable contributions, particularly in the form of legacies, that we plan to invest in new provision for older people.

### **FINANCIAL REVIEW**

#### **Overall performance**

The charity realised a net surplus of £361,000 in the year compared to £1,702,000 in the previous year.

The key measure of performance used in the charity's management accounts is its earnings before interest, tax, depreciation amortisation and rent (EBITDAR).

EBITDAR for the year is reported as a surplus of £740,000 against a surplus of £1,830,000 the previous year.

For an overall view of The Pilgrims Friend Group please see our consolidated accounts.

### **STATUTORY INFORMATION**

#### **Our objects and how we seek to fulfil them**

The Pilgrims Friend Group is a non-trading charitable company which is the sole corporate member of Pilgrims' Friend Society, Pilgrim Homes, Homesdale (Woodford Baptist Homes) Limited, Bridge Care Limited and Pilgrim Homes Trust. In turn, Pilgrims' Friend Society is the sole corporate member of Strathclyde House Trust. The governing document is the articles of association.

The Pilgrims Friend Group exists to research and understand the context for the delivery of Christian care, and it sets policies and provides direction for the charities in its group. The Board of this charity makes significant decisions for the running of the group. All the Members of the Board of Trustees of The Pilgrims Friend Group are also on the board of one or more of the Group's subsidiary entities. The trustees of the Pilgrims Friend Group are distributed so that we have the capacity to manage conflicts of interest while transacting business between charities.

Responsibility for the day-to-day operations of the charity is delegated to the Chief Executive and Senior Management Team of Pilgrims' Friend Society which has been the main operating charity for the group. The pay of Key Management Personnel is reviewed annually and normally increases in accordance with average earnings bearing in mind charities of comparable size and activity.

Pilgrims' Friend Society and The Pilgrim Friends Group have identical objects with the primary object being "the advancement of the Christian faith and the relief of poverty, sickness, disablement, old age and infirmity for the public benefit to the glory of God." Strathclyde House Trust has similar objectives to these two charities. The objects of Pilgrim Homes and its successor charity Pilgrim Homes Trust are: "The relief either individually or

# PILGRIMS' FRIEND SOCIETY

## Trustees' report (continued)

For the year ended 31 March 2025

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collectively of poverty, sickness, disablement, and infirmity of older people of the Protestant Christian faith including by the provision and maintenance of residential care and housing.”

Pilgrims' Friend Society advances the Christian faith by operating Christian care and housing for older people and by producing resources that inspire, encourage, and equip others in their work of caring for older people.

Pilgrims' Friend Society operates all our homes and schemes in the group Homesdale (Woodford Baptist Homes) Limited, Bridge Care Limited and Strathclyde House Trust apart, in the same way to ensure the same quality of Christian care and to give us economies of scale in our operations. Homesdale (Woodford Baptist Homes) Limited, Bridge Care Limited and Strathclyde House Trust remain as distinct legal entities but follow policies and procedures derived from those in place within Pilgrims' Friend Society.

Pilgrim Homes Trust (and Pilgrim Homes before it) fulfils its objects through the ownership of care homes and housing schemes which are operated on its behalf by Pilgrims' Friend Society. Pilgrim Homes Trust is the group charity that built the first of our Renewal Programme homes at Chippenham (Middlefields House).

During the year we brought Bridge Care Limited, a charity, into the group through a “Grouping Agreement” that also involved their committee members standing down in favour of people drawn from the Pilgrim Friends Group Board.

The Annual Review section of this report sets out how our work provides accommodation and care to older people through the provision of Christian care in a residential setting to those who are over 65 and in need of such accommodation or care because of their age, poverty, sickness, or disablement.

Our charities advance the Christian faith by ensuring that beneficiaries have every opportunity to pursue their Christian lives. Regular devotions, opportunities to pray and be supported in prayer, Christian services, Bible studies, opportunities to share fellowship and express Christian beliefs and values through crafts and activities are available in all our homes and schemes.

The benefits of our work are people living safe and fulfilled lives in their later years when they need Christian care and support.

Pilgrims' Friend Society, Homesdale (Woodford Baptist Homes) Limited and Bridge Care Limited (all of which TPFPG is the sole member) and Strathclyde House Trust (of which PFS is the sole member) provide a safe, secure environment and a Christian community with opportunities for fellowship with like-minded Christian people.

## Public Benefit

The charity's trustees have considered the guidance regarding public benefit when considering and planning their objectives and activities for the year.

## Employment Policies

Pilgrims' Friend Society, Homesdale (Woodford Baptist Homes) Limited, Bridge Care Limited and Strathclyde House always selects staff colleagues based on their ability to do the job on offer based on a “Person Specification” for each post. We are fully compliant with Equalities legislation and recognise our obligations, under Disability Discrimination legislation, to consider reasonable modifications to allow people living with a disability to take up employment. We have an occupational requirement for some posts to be filled by Protestant Christians, who agree with our doctrinal basis, to maintain our founding Christian ethos. These issues are dealt with fully under the charity's Equal Opportunities policies.

# **PILGRIMS' FRIEND SOCIETY**

## **Trustees' report (continued)**

**For the year ended 31 March 2025**

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All our homes hold regular meetings for all colleagues which are designed to impart information regarding developments within the charity and to give staff opportunity to raise issues. Where any specific proposal is likely to have a significant impact on individual members of staff, such staff are consulted in line with current legislation and good practice. We conduct a charity wide staff survey and feedback to colleagues on how we respond to the issues raised.

We are in regular communication with our staff colleagues on all matters relating to their terms and conditions of employment. We survey our staff colleagues twice a year followed up by forums open to all.

The managers of our homes and schemes meet at least twice a year as the "senior team" and one of these meetings includes discussion with the trustees as to the future direction of the Society. Significant changes to the work of the Society are typically preceded by a consultation with colleagues in our homes and schemes and our volunteers sometimes involving a visit by a member of the executive team and a trustee. We encourage colleagues' involvement in the Society's performance and their awareness of the factors affecting our work through a monthly prayer bulletin that is posted on the noticeboards in all our homes and schemes.

### **Volunteers**

Our volunteers are a vital aspect of our work. As well as raising some of the finances we need they also make them go much further through their volunteering. We are particularly grateful to visitors who provide much needed comfort and company to residents and those who lead the regular acts of worship in our homes. The Charity Commission requires we state a number for these volunteers, and we estimate this to be around 450 (was 425 last year).

### **Related parties**

The trustees of the charity consider the following to be related parties:

1. Key Management Personnel of Pilgrims' Friend Society
2. The following charities:
  - a. The Pilgrims Friend Group (TPFG) – the ultimate holding company of this Charity.
  - b. Pilgrim Homes (PH) – a fellow subsidiary of the Pilgrims Friend Group.
  - c. Pilgrim Homes Trust (PHT) – a fellow subsidiary of the Pilgrims Friend Group.
  - d. Strathclyde House Trust (SHT) – a subsidiary of this Charity.
  - e. Bridge Care Limited (charity no. 299400, company no. 02001246)
3. Homesdale (Woodford Baptist Homes) Limited – Cooperative & Community Benefit Society No 13406R
4. PFG Trading Limited – a limited company
5. Aged Pilgrims' Friend Society Trust Limited (APFST) – a non-trading limited company which, holds title to the properties owned by Pilgrim Homes. APFST is a wholly owned subsidiary of Pilgrim Homes Trust holds title to the properties on behalf of Pilgrim Homes Trust.

### **Investment policy**

Given the need for cash, the trustees take the view that it is better to retain the majority of the charity's funds in bank deposits, rather than investing in other classes of assets.

### **Principal sources of funding**

The charity expects to continue to raise most of its income from fees charged to residents of its homes and by charges for its housing. The Renewal Programme will be funded by borrowing, social investment, the sale of some property assets and donations.

# PILGRIMS' FRIEND SOCIETY

## Trustees' report (continued)

For the year ended 31 March 2025

### Accommodation charges policy

As with the other related charities, this charity sets the level of charges for accommodation in its care homes based on local market conditions. It does not discriminate against older Christians who may not have the resources to meet the costs of their own care and we accept residents whose fees are met on their behalf by local authorities, notwithstanding the shortfall that then arises. In these circumstances we seek a 'top-up' from family or friends where possible.

### Fundraising

Pilgrims' Friend Society does not employ outside or commercial fund-raisers. We make sure that our supporters are kept up to date with our work and that they have the opportunity to give to support it. It issues a magazine twice a year and solicits prayer for the work of the charity. Both the magazine and the prayer updates issued by the charity may include mention of financial needs. No complaints have been received in the year about our fundraising. Pilgrims' Friend Society is registered with the Fundraising Regulator.

### Risks and regulations

The charity maintains a comprehensive register of risks which is reviewed by the Key Management Personnel at their monthly meetings and by trustees at every trustee meeting. The key developments in the year that we have responded to have been: state funding risks as central government policies have mandated cost increases that local authorities do not have the budget to afford; cyber risks have increased as technology becomes ever more central to our operations; challenges to staffing as access to overseas colleagues has been constrained; increased fire-safety actions as some of the lessons learned from Grenfell have rippled out across the sector. The risks reviewed on our risk register with the highest ratings are in the following table.

Risk	Commentary & Actions to Mitigate
Growth & Renewal programme at risk because of increasing costs and delays finding sites or capacity issues	Enhanced governance and oversight arrangements established for the programme.
Financial drain on Society if cashflow from homes and schemes unable to finance necessary support costs	Budget process and monitoring - 25/26 budget is for a surplus
Ageing of properties to point where costs to maintain are prohibitive	The Growth & Renewal Programme. Proactive management of emerging problems.
Cost inflation (inc taxes such as NI) not matched by fees	Monthly scrutiny of financial performance.
Adult Social Care policy change reduces income and/or drives up cost	Engagement with NCF to add weight to lobbying. Mitigation is to admit fewer local authority funded family members.
PFS unable to retain staff	We are better than sector average but this is a major cost. Vacancy rates are low but turnover still high. We have a programme of staff engagement to reduce churn.
PFS unable to recruit Christian home and housing managers	Use of agencies to find and recruit as well as proactive advertising.
Tightening labour market increases agency staff costs and dependency on agency staff	This is a sector wide challenge that has been mitigated by proactive recruitment from the overseas pool and proactive HR management.
Cyber-attack (including ransomware) impeding operations, and/or causing loss of data	Ransomware attacks are more prevalent. Mitigation is under advice from Sharp IT Services, Adapta Consulting and new Head of IT. Training on cyber security is undertaken and we actively moving towards Cyber Essentials certification (one site is).
Failure to govern group charities as separate legal entities	Annual governance review. Risk increased as we have increases complexity with recent acquisitions
PFS unable to recruit staff with relevant skills in a timely fashion	Apprenticeships, career paths and planned actions to enhance recruitment.
Reduced occupancy in homes/schemes falling below viability level	Effective occupancy marketing. Timely performance data and management action.
Fire Risks - large numbers of actions from fire risk assessments (mainly fire door adjustments) post Grenfell.	Proactively managed plan of action within the Property Services Plan.
Significant and unresolved non-compliance with regulations	Careful design of PFS compliance policies and QA systems. Careful management and integration of gift acceptance homes.

# PILGRIMS' FRIEND SOCIETY

## Trustees' report (continued)

For the year ended 31 March 2025

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### Reserves

The Charity holds funds of £17,299,000 at the year end. Restricted funds account for £4,447,000 of this, although the majority of these reserves (£4,157,000) are part of the Pilgrim Homes restricted fund that can be used to fund operational costs of a proportion of the operating entities (the Pilgrim Homes). Of the unrestricted funds, £9,955,000 could only be realised by disposing of tangible fixed assets or programme related investments. This means that the free reserves (that is, the part of the charity's unrestricted funds that is freely available to spend on any of the charity's purposes) is £2,897,000 against a target of £1,000,000. Including the Pilgrim Homes restricted fund to this gives total accessible reserves of £7,054,000.

### Trustee recruitment and training

Trustees are appointed at a board meeting following a nomination process. Candidates must meet a strict set of specifications concerning personal competence, specialist skills, availability and Christian belief. Once the Board and new trustee decide to proceed with a formal appointment there follows an induction period to familiarise the new trustee with the charity's operations. Newly appointed trustees meet with the Chief Executive and members of the Senior Management Team to provide an introduction to the affairs of the charity, key operational methods and the current strategic plan. Trustee performance is subject to an annual review by the Chairman.

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Pilgrims' Friend Society for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the directors' report) and the financial statements in accordance with 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).

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 the charitable company and of the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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 trustees are responsible for maintaining proper accounting records which 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.

### STATEMENT OF DISCLOSURE TO AUDITOR

So far as each person who was a trustee at the date of approving this report is aware, there is no relevant audit information of which the charity's auditor is unaware. Additionally, the trustees individually have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant audit information and to establish that the charity's auditor is aware of that information.

## **PILGRIMS' FRIEND SOCIETY**

**Trustees' report (continued)**  
**For the year ended 31 March 2025**

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### **AUDITORS**

Xeinadin Audit Limited were the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees and signed on their behalf by

A handwritten signature in black ink, appearing to be 'A Copeman', written over a horizontal line.

A Copeman  
**Trustee**

Date: 17 July 2025

# PILGRIMS' FRIEND SOCIETY

## Independent auditor's report to the trustees of Pilgrims' Friend Society For the year ended 31 March 2025

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### OPINION

We have audited the financial statements of Pilgrims' Friend Society (the charity) for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 31 March 2025 and of its incoming resources and application of resources 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.

### 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 director's 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 charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

### OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

# **PILGRIMS' FRIEND SOCIETY**

## **Independent auditor's report to the trustees of Pilgrims' Friend Society (continued)** **For the year ended 31 March 2025**

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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 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 our audit:

- the information given in the Trustees' Report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report or the strategic report included with the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 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 trustees' 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, 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 charity'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 company or to cease operations, or have no realistic alternative but to do so.

# **PILGRIMS' FRIEND SOCIETY**

## **Independent auditor's report to the trustees of Pilgrims' Friend Society (continued)** **For the year ended 31 March 2025**

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### **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

We have been appointed as auditor under section 145 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to charity financial reporting, employment, health & safety and care and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and Companies Act 2006.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team.

We determined that the principal risks were related to:

- disclosure of capital commitments or provisions
- recognition of legacy income
- fraudulent extraction of cash

In response to the risks identified we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation
- identifying and reviewing journal entries
- discussions with management and review of legal correspondence
- reviewing Trustees' meeting minutes
- evaluating the charity's internal controls

There are inherent limitations in the audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## PILGRIMS' FRIEND SOCIETY

### Independent auditor's report to the trustees of Pilgrims' Friend Society (continued) For the year ended 31 March 2025

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#### 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 regulations made under that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 and its members as a body, for our audit work, for this report, or for the opinions we have formed.



**Paul Newton FCA (Senior Statutory Auditor)**  
**for and on behalf of Xeinadin Audit Limited**

**Chartered Accountants**  
**Statutory Auditor**

5 Robin Hood Lane  
Sutton  
Surrey  
SM1 2SW

Date: 18 July 2025

# PILGRIMS' FRIEND SOCIETY

## Statement of financial activities (incorporating the income and expenditure account) For the year ended 31 March 2025

		2025			2024		
	Note	Unres- tricted Funds £000	Restricted Funds £000	Total £000	Unres- tricted Funds £000	Restricted Funds £000	Total £000
<b>Income from:</b>							
Donations and legacies	2	549	75	624	1,992	168	2,160
Investments	3	303	-	303	109	4	113
Charitable activities	4	6,398	13,635	20,033	9,237	9,219	18,456
Other income	5	<u>16</u>	<u>2</u>	<u>18</u>	<u>15</u>	<u>2</u>	<u>17</u>
<b>Total income</b>		<b><u>7,266</u></b>	<b><u>13,712</u></b>	<b><u>20,978</u></b>	<b><u>11,353</u></b>	<b><u>9,393</u></b>	<b><u>20,746</u></b>
<b>Expenditure on:</b>							
Raising funds	6	42	3	45	33	8	41
Charitable activities	7	<u>8,345</u>	<u>12,223</u>	<u>20,568</u>	<u>10,619</u>	<u>8,462</u>	<u>19,081</u>
<b>Total expenditure</b>		<b><u>8,387</u></b>	<b><u>12,226</u></b>	<b><u>20,613</u></b>	<b><u>10,652</u></b>	<b><u>8,470</u></b>	<b><u>19,122</u></b>
Net (losses)/gains on investments		<u>-</u>	<u>( 4)</u>	<u>( 4)</u>	<u>-</u>	<u>78</u>	<u>78</u>
<b>Net income/(expenditure)</b>		<b>(1,121)</b>	<b>1,482</b>	<b>361</b>	701	1,001	1,702
<b>Transfers between funds</b>		<u>( 16)</u>	<u>16</u>	<u>-</u>	<u>1</u>	<u>( 1)</u>	<u>-</u>
<b>Net movement in funds</b>		<b>(1,137)</b>	<b>1,498</b>	<b>361</b>	702	1,000	1,702
<b>Reconciliation of funds</b>							
Total funds brought forward		<u>13,989</u>	<u>2,949</u>	<u>16,938</u>	<u>13,287</u>	<u>1,949</u>	<u>15,236</u>
<b>Total funds carried forward</b>		<b><u>12,852</u></b>	<b><u>4,447</u></b>	<b><u>17,299</u></b>	<b><u>13,989</u></b>	<b><u>2,949</u></b>	<b><u>16,938</u></b>

All the activities are continuing. There were no recognised gains or losses other than those stated above.

The notes on pages 19 to 35 form part of these financial statements.

# PILGRIMS' FRIEND SOCIETY

## Balance sheet As at 31 March 2025

	Note	2025 £000	£000	2024 £000	£000
<b>Fixed assets</b>					
Tangible assets	10		7,727		7,962
Investments	11		<u>2,228</u>		<u>3,006</u>
			9,955		10,968
<b>Current assets</b>					
Debtors and prepayments	12	2,900		5,356	
Cash at bank and in hand		<u>10,016</u>		<u>5,641</u>	
		12,916		10,997	
<b>Creditors:</b> Amounts falling due within one year	13	<u>5,572</u>		<u>5,027</u>	
<b>Net current assets</b>			7,344		5,970
<b>Total assets less current liabilities</b>			<u>17,299</u>		<u>16,938</u>
<b>Funds:</b>	14				
Unrestricted funds	14,15		12,852		13,989
Restricted funds	16,17		<u>4,447</u>		<u>2,949</u>
<b>Total Funds</b>			<u>17,299</u>		<u>16,938</u>

The financial statements were approved by the Trustees on 17 July 2025 and signed on their behalf by:

  
A Copeman  
Trustee

Company Registration No: 3027071

The notes on pages 19 to 35 form part of these financial statements.

# PILGRIMS' FRIEND SOCIETY

## Statement of cash flows

For the year ended 31 March 2025

	2025 £000	2024 £000
<b>Cash flows from operating activities</b>		
<i><b>Trading and donations</b></i>		
Net movement in funds	361	1,702
Depreciation	379	293
Gift of Cumbria Emmaus net assets excluding cash	-	(1,103)
(Decrease)/increase in legacy debtors	(2,475)	1,555
Investment income	( 303)	( 113)
Movement in fair value of investments	16	( 78)
(Gain)/loss on disposal of fixed assets	153	26
Adjustments to fixed assets	-	73
<b>Net cash (used in)/provided by trading and donations</b>	<b>(1,869)</b>	<b>2,355</b>
<i><b>Working capital movements</b></i>		
Decrease/(increase) in debtors excluding legacies	4,931	( 506)
Increase in creditors	545	645
<b>Net cash provided by working capital movements</b>	<b>5,476</b>	<b>139</b>
<b>Net cash provided by operating activities</b>	<b>3,607</b>	<b>2,494</b>
<b>Cash flows from investing activities</b>		
<i><b>Tangible fixed assets</b></i>		
Payments on additions of tangible fixed assets	( 329)	( 511)
Proceeds on disposal of tangible fixed assets	32	512
<b>Net cash (used in)/provided by tangible fixed assets</b>	<b>( 297)</b>	<b>1</b>
<i><b>Fixed asset investments</b></i>		
Interests and dividends received	303	113
Payments on additions of fixed asset investments	-	( 500)
Proceeds on disposal of fixed asset investments	762	-
<b>Net cash provided by/(used in) fixed asset investments</b>	<b>1,065</b>	<b>( 387)</b>
<b>Net cash provided by/(used in) investing activities</b>	<b>768</b>	<b>( 386)</b>
<b>Net cash inflow</b>	<b>4,375</b>	<b>2,108</b>
Cash and cash equivalents at 1 April 2024	5,641	3,533
<b>Cash and cash equivalents at 31 March 2025</b>	<b>10,016</b>	<b>5,641</b>

The notes on pages 19 to 35 form part of these financial statements.

# PILGRIMS' FRIEND SOCIETY

## Notes to the financial statements For the year ended 31 March 2025

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### 1. ACCOUNTING POLICIES

The company is registered as a charitable company limited by guarantee incorporated in England and Wales and is governed by its Memorandum and Articles of Association. Its registered office is 175 Tower Bridge Road, London SE1 2AL.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### 1a. Basis of accounting

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for Charities applying FRS 102, the Companies Act 2006, the Charities Act 2011 and UK Generally Accepted Accounting Practice. The charity is a Public Benefit Entity as defined by FRS 102.

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 £1,000.

The financial statements have been prepared on the historical cost convention, modified to include certain investments and financial instruments at fair value.

#### 1b. Consolidation

This charity is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this charity, which are intended to give a true and fair view of the assets, liabilities, financial position and surplus or deficit of the group. The charity has therefore taken advantage of exemptions from the requirement to disclose transactions with other group undertakings.

The financial statements of the charity are consolidated in the financial statements of The Pilgrims Friend Group. These consolidated financial statements are available from its registered office at 175 Tower Bridge Road, London SE1 2AL.

#### 1c. Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1d. Tangible fixed assets

Fixed assets are recorded at historic cost. Expenditure on existing properties is capitalised when works result in an enhancement of economic benefits of the asset. Other expenditure on the properties is charged to the income and expenditure account. Where appropriate, the historic cost less accumulated depreciation of any replaced components is released from the asset and recognised as a loss on disposal.

# PILGRIMS' FRIEND SOCIETY

## Notes to the financial statements (continued) For the year ended 31 March 2025

---

### 1. ACCOUNTING POLICIES (continued)

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life. The following rates are used on a straight-line basis:

Land	nil
Buildings	100 years
Roof	70 years
Electrics	40 years
Windows, doors, heating and plumbing	30 years
Bathrooms and lifts	20 years
Kitchens – sheltered	20 years
Boilers	15 years
Kitchens – residential	10 years
Furniture and equipment – sheltered	10 years
Hard landscaping	5 years
Motor vehicles	4 years
Computer equipment	4 years

#### 1e. Income

Housing and care income is recognised on the basis of the period that the service was provided to the resident. Voluntary income and donations (including legacies) are accounted for once the charity has entitlement to the income, it is probable the income will be received and the amount of income receivable can be reliably measured. Where material assets are donated to the company for its use, these are capitalised at the estimated market value at the date of the gift and included under income.

#### 1f. Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities. Charitable expenditure includes all support costs in respect of the company's activities.

#### 1g. Governance costs

This comprises expenditure on compliance with statutory legal requirements and is included in charitable activities.

#### 1h. Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustee for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund is set out in note 18 to the financial statements.

# **PILGRIMS' FRIEND SOCIETY**

## **Notes to the financial statements (continued)** **For the year ended 31 March 2025**

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### **1. ACCOUNTING POLICIES (continued)**

#### **1i. Leases**

Rentals payable under operating leases are dealt with on a straight-line basis over the lease term. Total lease repayments have been disclosed over the remaining life of the lease.

#### **1j. Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

#### **1k. Investments**

Investments in subsidiary charities are included at the historic cost less provisions for impairment. Listed investments are stated at fair value.

#### **1l. Debtors**

Debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

#### **1m. Cash and cash equivalents**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of opening of the deposit. Cash equivalents on deposit includes cash on deposit with a maturity of over three months.

#### **1n. Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation arising 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 recognised at their settlement amount. Concessionary loans are included at historic cost.

#### **1o. Financial instruments**

The charity only has financial assets and 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.

# PILGRIMS' FRIEND SOCIETY

Notes to the financial statements (continued)  
For the year ended 31 March 2025

## 2. DONATIONS AND LEGACIES

	Unrestricted Funds £000	Restricted Funds £000	Total 2025 £000	Total 2024 £000
Donations	233	72	305	264
Net assets gifted by Cumbria Emmaus	10	-	10	1,500
Legacies	<u>306</u>	<u>3</u>	<u>309</u>	<u>396</u>
	<u>549</u>	<u>75</u>	<u>624</u>	<u>2,160</u>

## 3. INCOME FROM INVESTMENTS

	Unrestricted Funds £000	Restricted Funds £000	Total 2025 £000	Total 2024 £000
Bank interest	<u>303</u>	<u>-</u>	<u>303</u>	<u>113</u>

## 4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £000	Restricted Funds £000	Total 2025 £000	Total 2024 £000
Care fees	6,170	12,776	18,946	17,423
Housing income	<u>228</u>	<u>859</u>	<u>1,087</u>	<u>1,033</u>
	<u>6,398</u>	<u>13,635</u>	<u>20,033</u>	<u>18,456</u>

## 5. OTHER INCOME

	Unrestricted Funds £000	Restricted Funds £000	Total 2025 £000	Total 2024 £000
Other sources	<u>16</u>	<u>2</u>	<u>18</u>	<u>17</u>

# PILGRIMS' FRIEND SOCIETY

## Notes to the financial statements (continued)

For the year ended 31 March 2025

### 6. EXPENDITURE ON RAISING FUNDS

	Unrestricted Funds £000	Restricted Funds £000	Total 2025 £000	Total 2024 £000
Publicity and deputation	<u>42</u>	<u>3</u>	<u>45</u>	<u>41</u>

### 7. EXPENDITURE ON CHARITABLE ACTIVITIES

<i>Activities split by fund:</i>	Unrestricted Funds £000	Restricted Funds £000	Total 2025 £000	Total 2024 £000
Housing	9	611	620	808
Care	6,899	9,540	16,439	17,087
Education and training	88	-	88	305
Raising awareness	90	-	90	144
General support costs	<u>951</u>	<u>2,021</u>	<u>2,972</u>	<u>418</u>
	<b>8,037</b>	<b>12,172</b>	<b>20,209</b>	<b>18,762</b>
Depreciation	328	51	379	293
(Gain)/loss on disposal of fixed assets	( <u>20</u> )	<u>-</u>	( <u>20</u> )	<u>26</u>
	<b><u>8,345</u></b>	<b><u>12,223</u></b>	<b><u>20,568</u></b>	<b><u>19,081</u></b>

# PILGRIMS' FRIEND SOCIETY

## Notes to the financial statements (continued)

For the year ended 31 March 2025

### 7. EXPENDITURE ON CHARITABLE ACTIVITIES (continued)

#### Analysis by activity:

	Housing £000	Care £000	Education & training £000	Raising Awareness £000	General Support £000	Total 2025 £000	Total 2024 £000
Salaries and wages	186	12,439	-	-	1,918	14,543	13,518
Food	117	718	-	-	-	835	847
Administrative expenses	33	629	-	-	587	1,249	1,167
Repairs and maintenance	172	1,183	-	-	-	1,355	1,107
Heat and light	57	509	-	-	-	566	613
Other expenses	55	662	88	90	89	984	1,057
Professional fees	-	4	-	-	351	355	486
Governance costs: auditor's fees	-	-	-	-	27	27	22
Donations made to subsidiaries	-	295	-	-	-	295	-
Allocated administrative costs	-	-	-	-	-	-	(55)
	<u>620</u>	<u>16,439</u>	<u>88</u>	<u>90</u>	<u>2,972</u>	<u>20,209</u>	<u>18,762</u>
Buildings depreciation	30	204	-	-	-	234	158
General depreciation	3	124	-	-	18	145	135
Loss on disposal	-	-	-	-	(20)	(20)	26
	<u>653</u>	<u>16,767</u>	<u>88</u>	<u>90</u>	<u>2,970</u>	<u>20,568</u>	<u>19,081</u>

During the year the auditors were paid £4,000 for accountancy services (2024: £6,000).

# PILGRIMS' FRIEND SOCIETY

## Notes to the financial statements (continued) For the year ended 31 March 2025

### 8. STAFF COSTS

	2025 £000	2024 £000
Wages and salaries	12,699	11,414
Social security costs	1,127	873
Pension costs	449	383
Agency staff costs	268	848
	<u>14,543</u>	<u>13,518</u>

Redundancy payments totalling £nil (2024: £43,731) are included above.

The average number of staff employed in the period on a headcount basis was:

	No	No
Homes	572	586
Head Office	39	41
	<u>611</u>	<u>627</u>

The average number of staff employed in the period on a full-time equivalent basis was:

	No	No
Homes	432	462
Head Office	37	40
	<u>469</u>	<u>502</u>

The emoluments of ten employees exceeded £60,000 in the year ended 31 March 2025 (2024: 10). Five of those employees earned between £60,000 and £70,000, three earned between £70,000 and £80,000 and two earned between £90,000 and £100,000 (2024: Four of those employees earned between £60,000 and £70,000, three earned between £70,000 and £80,000, one earned between £80,000 and £90,000, one earned between £90,000 and £100,000 and one earned between £110,000 and £120,000 including redundancy pay).

Remuneration of £nil (2024: £1,574) was paid to one trustee, Mr Martyn Hallett. This related to employment as pastoral co-ordinator on a part time basis. Mr Hallett started this paid role on 1 March 2020, before he was appointed as a trustee in October 2022 and subsequently resigned on 19 June 2023. Continued employment was in accordance with Clause 4 of the Articles of Association of the Charity and consent given by the Charity Commission. No remuneration was paid to any other trustee during the year. Travel expenses of £875 (2024: £343) were reimbursed to 3 trustees (2024: 3 trustees) for items incurred wholly, exclusively and necessarily in the course of the charity's activities.

The total aggregate remuneration of Key Management Personnel for the year was £502,101 (2024: £532,785).

The total remuneration (including gross salary, employer's National Insurance, benefits in kind and employer's pensions contributions) paid to family members of the trustees was £nil (2024: £64,391).

# PILGRIMS' FRIEND SOCIETY

## Notes to the financial statements (continued) For the year ended 31 March 2025

### 9. NET INCOME

	2025 £000	2024 £000
This is stated after charging:		
Depreciation	379	293
(Gain)/loss on disposal of fixed assets	(20)	26
Auditors' remuneration for audit services	27	22
Auditors' remuneration for other services	<u>4</u>	<u>6</u>

### 10. TANGIBLE FIXED ASSETS

	Freehold Land and Buildings £000	Furniture, Fittings and equipment £000	Motor vehicles £000	Total £000
<b>Cost</b>				
As at 1 April 2024	9,800	1,788	222	11,810
Additions	142	104	83	329
Disposals	(317)	-	(44)	(361)
As at 31 March 2025	<u>9,625</u>	<u>1,892</u>	<u>261</u>	<u>11,778</u>
<b>Depreciation</b>				
As at 1 April 2024	2,620	1,128	100	3,848
Charge for the year	234	88	57	379
Released on disposals	(138)	-	(38)	(176)
As at 31 March 2025	<u>2,716</u>	<u>1,216</u>	<u>119</u>	<u>4,051</u>
<b>Net book value</b>				
As at 31 March 2025	<u>6,909</u>	<u>676</u>	<u>142</u>	<u>7,727</u>
As at 31 March 2024	<u>7,180</u>	<u>660</u>	<u>122</u>	<u>7,962</u>

	2025 £000	2024 £000
<b>At cost or donated value:</b>		
Ernest Luff Care Home, Walton-on-the-Naze	2,167	2,419
Ernest Luff Housing, Walton-on-the-Naze	1,607	1,590
Emmaus Care Home, Harrogate	1,253	1,162
Permanent landscape, Ernest Luff Care Home	-	34
Koinonia Christian Care, Worthing	2,036	2,033
Carey Gardens, Kirby Muxloe	1,296	1,278
Emmaus House, Whitehaven, Cumbria	<u>1,266</u>	<u>1,284</u>
	<u>9,625</u>	<u>9,800</u>

# PILGRIMS' FRIEND SOCIETY

## Notes to the financial statements (continued) For the year ended 31 March 2025

### 11. INVESTMENTS

	Listed investments £000	Unlisted investments £000	Total £000
<b>Valuation</b>			
As at 1 April 2024	778	2,228	3,006
Additions	-	-	-
Disposals	( 762)	-	( 762)
Revaluation	( 16)	-	( 16)
As at 31 March 2025	<u>-</u>	<u>2,228</u>	<u>2,228</u>
<b>Historic cost</b>			
As at 31 March 2025	<u>-</u>	<u>2,228</u>	<u>2,228</u>

The closing balance of unlisted investments related to the charity's 100% controlling interest in Strathclyde House Trust Limited, a charitable company registered in Scotland.

### 12. DEBTORS AND PREPAYMENTS

	2025 £000	2024 £000
Arrears of local authority and residents' contribution	231	202
Amounts due from group entities	1,821	1,109
Amounts owed from Pilgrim Garden service charge	56	39
Amounts owed from Royd Court service charge	26	252
Amounts owed from Strathclyde service charge	1	355
Other debtors and prepayments	<u>765</u>	<u>3,399</u>
	<u>2,900</u>	<u>5,356</u>

### 13. CREDITORS AND ACCRUALS: amounts falling due within one year

	2025 £000	2024 £000
Short term loans	85	115
Trade creditors	440	236
Taxation and social security	223	197
Amounts due to group entities	3,681	3,191
Other creditors and accruals	<u>1,143</u>	<u>1,288</u>
	<u>5,572</u>	<u>5,027</u>

# PILGRIMS' FRIEND SOCIETY

Notes to the financial statements (continued)  
For the year ended 31 March 2025

## 14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Funds	Designated Funds (note 15)	Restricted Funds – general (note 16b)	Restricted Funds- Pilgrim Homes (note 16a)	Total Funds
	£000	£000	£000	£000	£000
<b>2025</b>					
<b>Fixed assets</b>					
Tangible	7,727	-	-	-	<b>7,727</b>
Investments	2,228	-	-	-	<b>2,228</b>
<b>Current assets</b>	8,469	-	155	4,292	<b>12,916</b>
<b>Current liabilities</b>	<b>(5,572)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5,572)</b>
<b>Total Net Assets</b>	<b><u>12,852</u></b>	<b><u>-</u></b>	<b><u>155</u></b>	<b><u>4,292</u></b>	<b><u>17,299</u></b>
<b>2024</b>					
<b>Fixed assets</b>					
Tangible	6,670	-	-	1,292	<b>7,962</b>
Investments	2,228	-	-	778	<b>3,006</b>
<b>Current assets</b>	10,118	-	123	756	<b>10,997</b>
<b>Current liabilities</b>	<b>(5,027)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5,027)</b>
<b>Total Net Assets</b>	<b><u>13,989</u></b>	<b><u>-</u></b>	<b><u>123</u></b>	<b><u>2,826</u></b>	<b><u>16,938</u></b>

## 15. DESIGNATED FUNDS

	Brought forward at 1 April 2024 £000	Income £000	Expenditure £000	Revaluations and transfers £000	Carried forward at 31 March 2025 £000
<b>2025</b>					
Strathclyde House Trust	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>2024</b>					
Strathclyde House Trust	<u>2,228</u>	<u>-</u>	<u>-</u>	<u>(2,228)</u>	<u>-</u>
	<u>2,228</u>	<u>-</u>	<u>-</u>	<u>(2,228)</u>	<u>-</u>

# PILGRIMS' FRIEND SOCIETY

## Notes to the financial statements (continued)

For the year ended 31 March 2025

### 16. a) RESTRICTED FUNDS – PILGRIM HOMES

2025	Brought forward at 1 April 2024 £000	Income £000	Expenditure £000	Transfers £000	Carried forward at 31 March 2025 £000
<b>Funds restricted by Pilgrim Homes articles:</b>					
<i>General unrestricted funds</i>					
Pilgrim Homes Fund	2,690	13,643	(12,218)	42	4,157
<i>Pilgrim Homes Restricted Funds</i>					
St Albans	85	-	-	-	85
Homes Voluntary Support Funds (see note 16c)	<u>51</u>	<u>27</u>	<u>-</u>	( <u>28</u> )	<u>50</u>
<b>Total restricted funds – Pilgrim Homes</b>	<b><u>2,826</u></b>	<b><u>13,670</u></b>	<b><u>(12,218)</u></b>	<b><u>14</u></b>	<b><u>4,292</u></b>

### 16. b) RESTRICTED FUNDS – GENERAL

Homes Voluntary Support Funds (see note 16c)	93	32	(8)	13	130
Local Homes Project Funds	21	9	-	( 7)	23
Dementia Fund	<u>9</u>	<u>1</u>	<u>-</u>	( <u>8</u> )	<u>2</u>
<b>Total restricted funds - general</b>	<b><u>123</u></b>	<b><u>42</u></b>	<b><u>( 8)</u></b>	<b><u>( 2)</u></b>	<b><u>155</u></b>

# PILGRIMS' FRIEND SOCIETY

## Notes to the financial statements (continued)

For the year ended 31 March 2025

### 16. c) RESTRICTED FUNDS – HOMES VOLUNTARY SUPPORT FUNDS

	Brought forward at 1 April 2024 £000	Income £000	Expenditure £000	Transfers £000	Carried forward at 31 March 2025 £000
<b>2025</b>					
<b>Funds restricted by Pilgrim Homes articles</b>					
Great Finborough	-	4	-	-	4
Evington	6	10	-	( 3)	13
Tunbridge Wells	17	3	-	( 4)	16
Wantage	15	3	-	(16)	2
Shottermill	13	6	-	( 5)	14
Bedford	-	1	-	-	1
	51	27	-	(28)	50
<b>Other restricted funds</b>					
Emmaus House	6	-	-	-	6
Ernest Luff Care	-	1	-	-	1
Koinonia	-	2	-	( 1)	1
Kirby Muxloe	79	24	( 8)	17	112
Middlefields	8	5	-	( 3)	10
	93	32	( 8)	13	130
<b>Total Homes Voluntary Support Funds</b>	<b>144</b>	<b>59</b>	<b>( 8)</b>	<b>( 15)</b>	<b>180</b>

# PILGRIMS' FRIEND SOCIETY

## Notes to the financial statements (continued)

For the year ended 31 March 2025

### 17. a) RESTRICTED FUNDS – PILGRIM HOMES (comparatives)

	Brought forward at 1 April 2023 £000	Income £000	Expenditure £000	Transfers £000	Carried forward at 31 March 2024 £000
<b>2024</b>					
<b>Funds restricted by Pilgrim Homes articles:</b>					
<i>General unrestricted funds</i>					
Pilgrim Homes Fund	1,687	9,298	(8,394)	99	2,690
<i>Pilgrim Homes Restricted Funds</i>					
St Albans	85	-	-	-	85
Homes Voluntary Support Funds (see note 16c)	<u>59</u>	<u>39</u>	( <u>26</u> )	( <u>21</u> )	<u>51</u>
<b>Total restricted funds – Pilgrim Homes</b>	<b><u>1,831</u></b>	<b><u>9,337</u></b>	<b><u>(8,420)</u></b>	<b><u>78</u></b>	<b><u>2,826</u></b>

### 17. b) RESTRICTED FUNDS – GENERAL (comparatives)

Faith in Later Life	-	40	(40)	-	-
Homes Voluntary Support Funds (see note 16c)	89	5	-	(1)	93
Local Homes Project Funds	21	10	(10)	-	21
Dementia Fund	<u>8</u>	<u>1</u>	-	-	<u>9</u>
<b>Total restricted funds - general</b>	<b><u>118</u></b>	<b><u>56</u></b>	<b><u>(50)</u></b>	<b><u>(1)</u></b>	<b><u>123</u></b>

# PILGRIMS' FRIEND SOCIETY

## Notes to the financial statements (continued)

For the year ended 31 March 2025

### 17. c) RESTRICTED FUNDS – HOMES VOLUNTARY SUPPORT FUNDS (comparatives)

	Brought Forward at 1 April 2023 £000	Income £000	Expenditure £000	Transfers £000	Carried forward at 31 March 2024 £000
<b>2024</b>					
<b>Funds restricted by Pilgrim Homes articles</b>					
Great Finborough	-	2	(1)	(1)	-
Evington	-	15	(2)	(7)	6
Tunbridge Wells	18	2	-	(3)	17
Wantage	23	16	(23)	(1)	15
Shottermill	17	4	-	(8)	13
Bedford	<u>1</u>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>-</u>
	59	39	(26)	(21)	51
<b>Other restricted funds</b>					
Emmaus House	5	1	-	-	6
Koinonia	-	1	-	(1)	-
Kirby Muxloe	79	-	-	-	79
Middlefields	<u>5</u>	<u>3</u>	<u>-</u>	<u>-</u>	<u>8</u>
	89	5	-	(1)	93
<b>Total Homes Voluntary Support Funds</b>	<b><u>148</u></b>	<b><u>44</u></b>	<b><u>(26)</u></b>	<b><u>(22)</u></b>	<b><u>144</u></b>

All Homes Voluntary Support Funds are restricted funds. Income received represents donations received for work at individual care homes and all expenditure is for the benefit of the ongoing work of the specific home. Where a home is lossmaking, at the end of the year the balance on the support fund is transferred to the general fund of the charity to assist in defraying the losses.

## 18. FURTHER DETAILS ON RESTRICTED AND DESIGNATED FUNDS

### Designated Funds

#### *Strathclyde House Trust Fund*

This was earmarked by trustees to represent the value of the investment recognised for Strathclyde House Trust. It was decided that this was no longer useful and therefore the balance of this fund was transferred to the General Fund.

### Restricted Funds

#### *Pilgrim Homes Fund*

This heading includes both the reserves of Pilgrim Homes and the Pilgrim Homes Restricted Fund within Pilgrims' Friend Society, which were transferred to Pilgrim Homes Trust on 31 March 2020.

#### *St Albans and Lucy McNeil Home Funds*

These funds relate to the receipt of donations and the proceeds of various fundraising activities for the purpose of establishing new homes.

#### *Faith in Later Life*

This represents donations from the Outlook Trust, this charity and a number of partner charities for use towards the costs of the 'Faith in Later Life' initiative mentioned in the Trustees' report. This initiative is in the course of being incorporated as a separate charity and following incorporation the balance of funds held will be transferred to this new charity.

#### *Local Homes Project Funds*

These represent the amounts raised and spent by local homes towards specific locally agreed initiatives within specific homes.

#### *Dementia Fund*

This fund is utilised to assist in meeting the costs of new initiatives to better look after our residents with dementia.

#### *Homes Voluntary Support Funds*

Homes Voluntary support funds represent donations made by supporters for the purpose of improving care at specific homes. These funds are also available, in the event of a home making a trading loss in a financial year, to reduce the loss sustained.

# PILGRIMS' FRIEND SOCIETY

## Notes to the financial statements (continued) For the year ended 31 March 2025

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### 19. LEASING COMMITMENTS

#### *Operating leases*

The charitable company's total future minimum lease payments under operating leases at 31 March 2025 were payable as set out below:

	2025 £000	2024 £000
Within one year	38	38
Within two to five years	<u>21</u>	<u>42</u>
	<u>59</u>	<u>80</u>

The operating lease charges for the year were:

	2025 £000	2024 £000
Land and buildings	66	60
Hire of plant and machinery	<u>30</u>	<u>41</u>
	<u>96</u>	<u>101</u>

The lease over 175 Tower Bridge Road, London expired on 31 December 2014. Since that date the charity has continued to pay rent at the existing annual rate of £67,000. The charity is required to give 3 months' notice under Section 27 of the Landlord & Tenant Act 1954 to vacate the premises.

### 20. PENSION COMMITMENTS

The pension cost charge represents contributions payable by the group to the pension funds. There were contributions of £nil due to the fund at the period end (2024: £75,000).

The Society also makes a small number of *ex gratia* pension payments to former employees. The annual commitment to make these payments has been reducing over the past few years and currently stands at around £3,000 per annum. A few years ago, the trustees considered whether to accrue for this liability but, given the amounts payable, the age of those receiving a pension and the complexity of determining an appropriate reserve, no provision was made.

# **PILGRIMS' FRIEND SOCIETY**

## **Notes to the financial statements (continued)** **For the year ended 31 March 2025**

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### **21. RELATED PARTY TRANSACTIONS**

The Pilgrims Friend Group is the ultimate controlling charity of the group, whose principal activity is to run Christian care homes. It is a charitable company limited by guarantee incorporated in England and Wales. Its registered office is 175 Tower Bridge Road, London SE1 2AL. Company number: 07169875. Charity number: 1134979.

The charity is a subsidiary of The Pilgrims Friend Group by virtue of that charity being the sole member of Pilgrims' Friend Society with the right to appoint directors. Transactions with The Pilgrims Friend Group and its other group undertakings are not disclosed as consolidated financial statements for the group are publicly available.

Details of trustees' and key management personnel and remuneration are disclosed in note 8 to the financial statements.

There are no other related party transactions.

### **22. COMPANY LIMITED BY GUARANTEE**

The organisation is a charitable company limited by guarantee and has no share capital. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.