

NAZARETH CARE CHARITABLE TRUST

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

**Charity Registration Numbers
England & Wales: 1113666 Scotland: SC042374
Company Limited by Guarantee
Registration Number: 05518564**

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

Trustees

Sister Bernadette Teresa McCall – Chair (appointed 07/10/2025)
 Sister Lilian Bashford (appointed 07/10/2025)
 Sister Celine Donnelly
 Mr. Donald West
 Father John Martin
 Mr. James McAleenan
 Mr. Eddie Norton (appointed 08/08/2025)
 Mr. Edward Caddle (appointed 08/08/2025)
 Mr. Nigel Mapp (appointed 08/08/2025)
 Mr. Peter Lovell (appointed 08/08/2025)
 Sister Doreen Cunningham – Chair (resigned 07/10/2025)
 Sister Teresa Bernadette Fallon (resigned 07/10/2025)
 Sister Rose Ita Doody (resigned 07/10/2025)
 Sister Anastasia Lenihan (resigned 01/08/2025)

Senior Management - (SMT)

Regional Superior	Sister Bernadette Teresa McCall (appointed 07/10/2025)
Regional Superior	Sister Doreen Cunningham (resigned 07/10/2025)
Chief Executive Officer	Mr. Douglas Webb (appointed 04/04/2024)
Finance Director and Company Secretary	Ms. Fiona Russell (appointed 19/08/2024)
Head of Risk & Deputy CEO	Mr. Mike Anderson
Head of Corporate Services	Miss Alexandra Ispas
Director of Operations	Mrs. Rita Asamoah (appointed 09/12/2024)
Head of HR	Mrs. Louise Graham (resigned 21/02/2025)

Administrative Details

Registered Office	Larmenier Centre 162 East End Road London N2 0RU
Telephone	020 8444 4427
Email	uk.administration@nazarethcare.com
Website	www.nazarethcare.org
Company Registration Number	05518564 (England & Wales)
Charity Registration Numbers	1113666 (England & Wales), SCO42374 (Scotland)
Auditor	Crowe U.K. LLP 55 Ludgate Hill, London, EC4M 7JW
Bankers	Barclays Bank plc Acorn House, 36-38 Park Royal Road London NW10 7JA
Principal Solicitors	Stone King LLP Upper Borough Court, Upper Borough Walls, Bath BA1 1RG

HERITAGE

The Congregation of the Sisters of Nazareth ("the Congregation") is an international Roman Catholic religious Congregation. It was founded in Hammersmith, England in 1851 by Victoire Larmenier, where its Generalate (governing body) and Nazareth House, Hammersmith care home are still located. It is divided into five Regions across the world: America, Australasia, Ireland, Africa and the United Kingdom (UK Region).

Victoire and five companions came to London in April 1851. At that time England was predominantly Protestant. Catholics, for the most part, were in a state of extreme poverty and the aged Catholic poor were forced to seek shelter in workhouses.

Their first house was in Brook Green, and the first resident was received on 14 April 1851. From there, the Sisters collected alms and food around London to care for the old and young who they took into their Home.

As the number of people requiring care and shelter increased each year, the need for larger and more suitable premises became urgent. In 1856 land was bought at Hammersmith for the sum of 3,000 guineas, most of which was donated by generous benefactors.

On 9 October 1857, the first group of elderly people and children were moved into the new building, which was named Nazareth House. From this beginning, the Congregation spread around the world. Most of the work of the Congregation takes place within "Nazareth Houses" which are substantial buildings operated mainly as care homes for older people.

Nazareth Care Charitable Trust (NCCT or the Trust) is a charitable company limited by guarantee. It is the operational arm of the Congregation working in partnership with The Congregation of the Sisters of Nazareth Charitable Trust, providing care for the older people, disabled and terminally ill in 12 care homes throughout England, Scotland and Wales.

The Charity also provides nursery school education in Lancaster and retirement villages situated in Glasgow, Blackburn and Plymouth, and supports other religious orders in caring for their older sisters.

MESSAGE FROM THE CHAIR OF THE BOARD OF TRUSTEES AND CHIEF EXECUTIVE OFFICER

The hard work undertaken by staff and Trustees at the Nazareth Care Charitable Trust during the year has seen the charity turn a corner in terms of regulatory and financial performance. In particular, the challenging recruitment environment has been addressed, and this has led to a significant reduction in the expenditure on agency staffing, which has flowed through into the financial results for the year. In addition, occupancy in care homes has risen to pre-pandemic levels, and this is a welcome sign of the faith our residents and their families have in us.


The work continues to develop our regional team based in Finchley, so that we can provide the houses with effective and efficient management support and leadership. The plan for new IT systems will be rolled out across 2025/26, and this will see further improvements in administration and customer service. We have continued to see improvements in our regulatory ratings at several of our care home locations, as well as advances in our online presence, especially in relation to our residents and family feedback via Carehome.co.uk.

We are committed to all our staff, residents, friends and volunteers in our endeavours to place the charity in a stronger financial position, through hard work and dedication, while ensuring our core values are at the forefront of everything we do.

The sector continued to face challenges in the post-pandemic period, particularly in the funding available from statutory authorities and as such, the charity expected the operating environment to remain testing in 2024/25. However, the Board of Trustees felt confident that the work and dedication of staff would lead to better outcomes, and that was the case. The charity has recorded an improvement in financial results for the year compared with the previous year and continues to make a strong recovery.

The hope and optimism expressed last year have been justified, and the transition period continues. We are pleased with the successful recruitment of staff at our various locations in recent months and are seeing improved retention of staff across the organisation. The Senior Management Team and Trustees are working hard to build on the firm foundations established in the year, focusing on sustaining quality within our services, further reducing reliance on temporary workers, and continuing to improve our occupancy levels. The planned major refurbishment of our Hammersmith home is well underway, and additional improvements to our other homes have been carried out. Plans to make our care home in Manchester more dementia-friendly have been supported by the Albert Gubay Charitable Foundation.

The continued investment in our facilities and staff should enable us to continue our progress and allow us to be successful in subsequent years.



SISTER BERNADETTE MCCALL
Chair of the Board of Trustees



MR DOUGLAS WEBB
Chief Executive Officer

INTRODUCTION

Following the 2006 General Chapter of The Congregation of the Sisters of Nazareth, the concept of Nazareth Care Charitable Trust began to take shape. The purpose of the Trust was to carry out the mission of the Sisters of Nazareth into the future, even if there were fewer Sisters in active service. To successfully achieve this, all staff need to have a clear understanding of the mission and the values of the Sisters, which have made the organisation the success it has been for the past 160 years.

The core values of the Sisters: **Patience, Hospitality, Love, Respect, Compassion** and **Justice** are practised by both Sisters and staff alike in everything they do and set the bar for the excellent quality of care provided to both children and older people. Each house strives to incorporate these six values in simple, different, and creative ways.

The facilities operated and managed by the Nazareth Care Charitable Trust include care homes, retirement villages and a nursery. All our services are genuinely an integral part of the community in which they operate. Whether it is a young child or an older person, we actively encourage everyone to live their lives to their full potential, both within our facilities and in the broader community. Every Nazareth House encourages members of the wider local community to participate as either a “Friend of Nazareth House”, a volunteer or as a parishioner using the church facilities.

Many of the buildings operated by the Nazareth Care Charitable Trust on behalf of the Congregation of the Sisters of Nazareth are original Victorian buildings, established either by the foundress or very early in the Sisters of Nazareth's history. To provide high-quality care in the best possible environment, we continue to invest in property upgrades. The planned major upgrade of the site at Hammersmith, which started in 2023, continues.

REVIEW OF THE YEAR

The 2024/25 financial year represents an improvement from the previous financial year. The Charity has posted a surplus, and trends in maintaining high occupancy and reducing agency expenditure are improving. The operating team work closely together to monitor quality and financial management, which has helped in achieving the results this year. We are blessed to work amongst a large family of committed and caring people.

Occupancy

Welcoming more residents to our Homes has been a significant concern following the pandemic. Thankfully, by the end of the financial year, the number of older people in our Homes had risen again, and our Houses are their usual, busy, joyful selves.

Infrastructure

The migration to new care management systems, staff roster, time & attendance, income processing & finance, payroll & compliance system, and telecommunication upgrade that commenced in 2021 continues. Valuable experience with these new systems has encouraged the Board and senior management team to seek further improvements through integrated IT solutions. As such, we will implement new IT systems over the next few years. The staff, Senior Management Team and Trustees are committed to ensuring that as many people as possible are involved in the implementation of the system choices made.

Regulatory

The Core Values of the organisation distinguish the ethos of Nazareth Care Charitable Trust: Justice, Patience, Annual Report 2025 | 5

Hospitality, Compassion, Love and Respect. This philosophy of care involves every member of the team working with a common aim to improve the quality of life of each of our service users. By putting our values into practice, we also aim to provide a safe, supportive and stimulating place to work.

Nazareth Care Charitable Trust aims to provide settings where people are cared for, supported and valued within an environment that promotes the health and well-being of our service users. We strive to provide all our service users with a safe place to be cared for.

We strive to promote an environment where people feel secure, comfortable, and valued. We aim to provide care that meets the needs of each person as an individual, and the best available evidence-based research always informs our care. All parties involved in a person's care are consulted where possible or applicable.

Regulatory inspections in England, Wales & Scotland continue, and we are pleased to note improvements at all services that have had inspections. The improvements in rating are a testament to the hard work and dedication of home managers and their teams over the past year.

Our Staff and Volunteers

We are proud of our staff and volunteers in this, as in all other years. We are grateful for the many staff who have given long service. Every year, the Chief Executive and Chair attend every home, village and nursery to present staff long service awards, and this included someone who completed 50 years' service. We strive to provide an excellent working environment for our staff. We aim to provide an open and inclusive environment where every member of staff is empowered to make a real difference. As an employer, we acknowledge that our staff are the biggest asset to the Charity. We continue to review our pay rates and benefits, as we recognise that the health and well-being of our staff are paramount to our future success.

This year, we have continued with the Government Apprenticeship Levy. As we strive to improve the skills of our staff, we have rolled out role-specific training for every job role in our care homes. Many of our houses also have a Friends of Nazareth group operating within them, which is a team of dedicated volunteers who give their time to several causes within each home. Volunteers can be fundraisers or visitors. The Trust recognises that, to continue providing excellent service to our residents amid financial demands, we must expand the use of volunteers to raise funds to meet the additional needs of our elderly and children.

TRUSTEES' REPORT 31 March 2025 (INCORPORATING A STRATEGIC REPORT)

The Trustees, who are the trustees of the charitable company for charity law and directors for company law, present their statutory report together with the financial statements of Nazareth Care Charitable Trust ('the Charity') for the year ended 31 March 2025.

This report has been prepared in accordance with Part VIII of the Charities Act 2011 and constitutes a directors' report for company law.

The financial statements have been prepared in accordance with the principal accounting policies set out on pages 26 to 30 and comply with the charity's Memorandum and Articles of Association, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Objectives and Activities

The Charity was established by the Congregation of the Sisters of Nazareth to assist the Sisters to maintain their mission, which principally today sits with the care of older people through the provision of care homes and retirement villages in the United Kingdom. The Charity also manages a day nursery in Lancaster. The Trustees intend that the work of the Charity will enhance the quality of life of those who live in their homes whilst

enabling them to retain to the maximum their dignity and independence.

For the Congregation of the Sisters of Nazareth Charitable Trust and the Nazareth Care Charitable Trust, working together is all about people. The Sisters, the residents, their families, and our staff together make a true Nazareth family. The Congregation of the Sisters of Nazareth Charitable Trust owns the estate, and the Sisters provide spiritual and pastoral support, whilst Nazareth Care Charitable Trust operates the care homes and villages, and a day nursery.

When setting the objectives and planning the work of the Charity for the year, the Trustees have considered The Charity Commission's general guidance on public benefit.

Objectives

Financial Stability: The Charity performed much better in 2024/25 in economic terms than in the previous financial year. The key factors influencing this have been increased occupancy and decreased reliance on temporary agency staff within our services. The charity is focused on building this firm foundation and will be seeking further improvements in the coming year. Developing a dynamic and effective senior management team and targeting further reductions in agency expenditure are central to this.

Quality: The short-term goal of the charity was that the regulated inspection gradings would improve in 2024/25, and in many instances, this has been achieved. The long-term goal is for all the Care Homes to sustain gradings of Good or better.

Care homes

There are twelve care homes operated by the Nazareth Care Charitable Trust within England, Scotland, and Wales (together forming the UK Region), some of which provide nursing care for older people with complex needs, while all offer support to those requiring social care. We provide accommodation for older adults with residential and nursing needs, including those living with a disability and those who are terminally ill. All our rooms are for single occupancy; however, some rooms are spacious in size and can accommodate couples if requested. Most of our current residents receive state funding to cover the cost of care. At 31 March 2025, the Charity operated care homes in the following locations:

Location	Principal activities	Category	Number of registered beds
<i>England and Wales</i>			
Birkenhead	Care home with nursing facilities	Residential Nursing	33 24
Cardiff	Care home with nursing facilities	Residential Nursing	27 27
Cheltenham	Care home	Residential	63
Crosby, Liverpool	Care home	Residential	66
Finchley, London	Care home	Residential	84
Hammersmith, London	Care home with nursing facilities	Residential Nursing	28 67
Lancaster	Care home	Residential	43
Manchester	Care home with nursing facilities	Residential Nursing	26 40
Northampton	Care home	Residential	50
Plymouth	Care home	Residential	46
<i>Scotland</i>			
Edinburgh, Bonnyrigg	Care home	Residential	37
Glasgow	Care home	Residential	70

The care homes aim always to provide excellent standards of care, and this is key to ensuring that the charity moves forward in a stable and strong manner.

STRATEGIC REPORT

In Our Care Homes

We have secured a central agency to support us with all our agency staff requirements. The benefit is lower agency costs and more efficient time management, with simpler booking processes and a single invoice for all homes rather than multiple invoices. The agency also offers an easier and more cost-effective way of recruiting temporary staff into permanent positions.

We have also invested in our apprenticeship programmes which our own existing employees and new recruits into Nazareth Care are taking up. We now have programmes offering accredited qualifications in care, administration, catering, housekeeping and other key roles.

Subsidiaries

Two of the Charity's wholly owned subsidiaries, NRV Development (Blackburn) Limited and NRV Development (Plymouth) Limited, are development companies providing retirement village apartments for sale at the respective sites. To provide a management and service company for each of our villages, we established three individual companies: NRV (Management) Plymouth Limited, NRV Blackburn Limited and NRV (Management) Glasgow Limited. In addition, we set up Nazareth Care Contract Limited to claim VAT and Nazareth Catering Limited to supply catering services to the retirement village in Blackburn. A further subsidiary, Nazareth Homecare Limited, was dissolved in the year.

The Future of Nazareth Care Charitable Trust

The charity has continued to progress in the face of challenges within the social care sector. We have invested in quality improvements, and the Senior Management team has worked closely with the Trustees to ensure they are aware of ongoing financial issues. We have continued to focus on attaining financial sustainability and quality improvements.

Our future aims include sustainable improvement of regulatory ratings, maximising service-level occupancy, and reducing reliance on temporary workers. This, in turn, will improve our financial performance and allow us to grow as an organisation. We aim to continue recruiting overseas staff through sponsorships and provide them with three months' accommodation upon arrival. This should significantly reduce our staffing costs while also ensuring continuity of care for those we care for.

FINANCIAL REVIEW OF THE YEAR

A summary of the results is available on page 22 of the attached financial statements.

Financial Position

The Group's income increased from £37.5 million to £43.3 million. Within this total, £36.0 million represents the income in connection with the provision of residential and care services for older people (2024 - £30.7 million) and £0.7 million represents the income from the provision of nursery services (2024 - £0.6 million). Income from commercial trading through subsidiaries amounts to £1.4 million (2024 - £1.3 million).

During the year the Charity received £5.0 million in grants. £4.4 million was from the Congregation of the Sisters of Nazareth Generalate: £3.9 million as a capital grant for the refurbishment of the Hammersmith

Care Home (2024 - £1.9 million) and a £0.5 million grant (2024 - £2.2 million). In addition, the Charity received a £0.4 million grant from the Albert Gubay Foundation to develop a dementia unit in the Manchester Care Home and £0.2 million to cover the costs of a dementia nurse.

Expenditure increased to £39.5 million from £36.5 million at the Group level. Within this total, £37.6 million represents expenditure in connection with the provision of residential and care services for older people (2024 - £34.6 million), and £0.6 million represents expenditure on the provision of nursery services (2024 - £0.5 million). £1.3 million represents expenditure on the subsidiaries' commercial trading operations (2024 - £1.3 million).

The day-to-day operations of the Group, excluding the Hammersmith refurbishment, the Albert Gubay grant and a donation from the Congregation of the Sisters of Nazareth Generalate, resulted in a deficit of £1.1 million for the year (2024 - £3.1 million deficit) and the Charity operations resulted in a deficit of £1.1 million (2024 - £3.1 million deficit). The Group's total net income was £3.8 million of which there was net unrestricted expenditure of £0.6 million and restricted net income of £4.4 million. £4.0 million of restricted net income was transferred to unrestricted funds as it related to the capital spend on the Hammersmith refurbishment. The total net assets of the Group at 31 March 2025 amounted to £5.2 million (2024 - £1.4 million) whilst those of the Charity totalled £5.4 million (2024 - £1.6 million).

The Group's and Charity's fixed assets have increased by £3.7 million due to a capital refurbishment project at Hammersmith Care Home. Group debtors have reduced by £1.3 million with the write-off or recovery of older debts, and the Charity's debtors have reduced by £0.9 million. Group cash has increased by £1.5 million and Charity cash by £1.3 million due to better profits and debt collection. Group creditors have increased by £0.1 million and Charity creditors by £0.3 million due to increased costs.

Two of the subsidiary companies are in deficit.

NRV Development (Blackburn) Limited

NRV Development (Blackburn) is the company responsible for developing the site at Blackburn and the sale of its properties. The company has accumulated losses of £113k due to the number of vacant properties and the time it is taking to sell these. Efforts have been made to better market all available properties and sales are improving.

It is anticipated that the project will break even at the end of the sales process.

NRV Development (Plymouth) Limited

NRV Development (Plymouth) is the development company responsible for developing the site in Plymouth and selling its properties. The company has accumulated losses of £52k. Development was completed on this site during 2015/16, and the final apartment was sold in September 2017. There are ongoing construction issues with one of the apartments, resulting in the entity still being active.

NRV Blackburn Limited

NRV Blackburn Limited is the company responsible for managing the site at Blackburn. The company has a retained surplus of £1.

NRV Management Plymouth Limited

NRV Management Plymouth Limited is the company responsible for managing the site at Plymouth. The company has a retained surplus of £1.

NRV Management Glasgow Limited

NRV Management Glasgow Limited is the company responsible for managing the site at Glasgow. The company has a retained surplus of £1.

Nazareth Catering Limited

Nazareth Catering Limited is the company responsible for managing catering at Blackburn. The directors have determined that this entity is no longer required, and plans are in place to dissolve the company in 2025. The company has a retained surplus of £1,685. Any retained surplus at the time of dissolution will be transferred to NRV Blackburn Limited.

Nazareth Care Contracts Limited

Nazareth Care Contracts Limited was established as the group VAT entity for Nazareth Care Charitable Trust.

Reserves Policy

Total group reserves at 31 March 2025 were £5.2 million, comprising a fixed asset designated fund of £8.0 million, restricted reserves of £0.4 million and unrestricted free reserves of -£3.2 million. The tangible fixed assets fund represents the net book value of the Group's tangible fixed assets. These assets are essential to the continued mission of the Group and Charity and include improvements to care homes and the furniture and equipment used in those care establishments.

The general fund comprises those assets not designated by the Trustees or restricted in their application as at 31 March 2025. At 31 March 2025, the fund remained at -£3.2 million. This is below the target of £20 million which represents six months' operating expenditure.

The Trustees have agreed to work towards a reserve of funds equivalent to six months of operating costs in the knowledge that a larger positive reserve balance needs to be built up in due course. The restructuring that has occurred over the past few years now needs to be consolidated and a period of reflection is required so that the Trustees may assess the future needs of the Group and Charity in the light of their mission and plans. Any surplus taxable funds arising in the subsidiaries may, from time to time, be donated to the Charity by Gift Aid.

The Trustees recognise that measuring total unrestricted funds is only one indicator and includes fixed assets that cannot be easily converted into cash. Hence, the Board of Trustees focuses much of its effort on monitoring the group's financial position, including its current assets and liabilities. The continued emphasis on cash management and improving the current asset position will remain a key feature in the coming period. This is further considered in the 'Going Concern' section below.

Going Concern

The Trustees have assessed whether the going concern assumption is appropriate for the preparation of these financial statements. The Trustees have made this assessment in respect of a period of sixteen months from the date of approval of these financial statements to March 2027. The Trustees have considered several factors when forming their conclusion as to whether the use of the going concern basis of preparation is appropriate in preparing these financial statements including a review of forecasts and cashflows to 31 March 2027, a consideration of the key risks that could negatively impact NCCT and the funding agreements in place with connected charities Congregation of the Sisters of Nazareth Generalate (CSNG) and Congregation of the Sisters of Nazareth Charitable Trust (CSNCT)).

The group reports an unrestricted net expenditure of £612k (2024 – deficit of £788k) and an unrestricted surplus after fund transfers of £3.4 million for the year ending 31 March 2025 (2024 – surplus of £1.0 million). Reserves were severely impacted over the last few years, with free reserves on 31 March 2025 being a deficit of £3.2 million and (2024: deficit of £3.0 million).

The funding to support NCCT comprised a £5 million grant from CSNG, issued initially in November 2022, and a £1 million loan from CSNCT, repayable over 10 years. At year-end, NCCT had a remaining grant of £0.3 million to draw down. The charity is not forecast to draw down this final amount. Additionally, CSNCT has provided a repayable overdraft facility of up to £0.5 million until 31 July 2027 to support NCCT in

meeting its liabilities as they fall due, should this be required. It is not expected that the overdraft facility will be used given the improved position to date, the cashflow forecast and scenarios modelled.

The Trustees have prepared a forecast and a monthly cash flow forecast to 31 March 2027, with a base case and two additional scenarios modelled with variations in cost and income assumptions.

The key areas of uncertainty outlined below have improved over 2024 but are still issues:

- There has been a significant increase in occupancy levels in the homes, and the forecast assumes the occupancy levels are maintained. Still, occupancy remains a key focus for management and the Trustees.
- Agency costs have continued to reduce since 31 March 2025 and maintaining these at the budgeted level remains a challenge for management. There continue to be significant challenges in the recruitment market. As detailed below, NCCT has taken steps to mitigate this risk, reflected in the budgets and forecasts produced. However, there is a risk that the reduced level of agency spend may not be sustained if challenges in recruiting staff increase or if the level of overseas staff is not maintained.
- The ability to attract private fee-paying residents whilst also increasing fees in line with costs is uncertain, particularly following the National Insurance and minimum wages increases that came into effect in April 2025. The level of fee increase has been modelled in the cash flow scenarios, and an assumption has been made that the private resident percentage remains unchanged. Additional fee-paying residents would positively impact cash flow.
- Not all local authority funding for care home fees has been increased in line with the higher cost of running the care homes due to the impact of the National Insurance and Minimum Wage increases implemented in April 2025. The effect of this has been included in the local authority's cashflow forecasts, and increases in local authority assumptions have been modelled in the scenarios.

The forecasts and cash flows remain highly sensitive to changes in the timing of income receipt, occupancy levels, and the management of agency costs. Recognising the reduced level of free reserves, the Trustees continue to focus on the cash position and forecast. However, it is acknowledged that, despite the support from CSNG and CSNCT and the improvements in performance over the last two years, there is still limited headroom to absorb the impact of uncertainties.

The Board has considered several factors when forming its conclusion as to whether the use of the going concern basis is appropriate in preparing these financial statements:

- The base cashflow forecast has modelled sensitivities incorporating key assumptions, including occupancy levels, day rates on fee income, pay costs, use of agency staff, anticipated timing of grant drawdown and the impact of inflationary pressures.
- Cash management controls are in place to always ensure sufficient working capital. Cashflow forecasts have been completed to March 2027 with weekly cash checks in place. Credit controls are in place, and regular meetings are held to address current debt. Group aged debtors totalled £1.4 million, of which £1.0 million is provided for.
- At the time of signing these financial statements, £0.25 million of the CSNG credit facility remains available for drawdown.
- A letter of support has been provided by CSNCT, providing an overdraft facility of up to £0.5 million to July 2026.
- High occupancy levels and low agency costs have been maintained from April to October 2025.
- There continues to be close monitoring of budgets and cash flows with regular reporting to the Board.

After considering these factors, the Board has concluded that NCCT has a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and has therefore prepared the accounts on a going concern basis; however, there are material uncertainties as discussed above.

Risk Management

The Trustees, with the assistance of the Charity's senior management team, have identified and considered the key risks to which the Charity and its subsidiaries might be exposed, and which are captured in a risk register. The risks include both those relating to the operation of the care homes and nursery and those relating to the development of retirement villages and the sale and subsequent resale of apartments, etc. Actions have been agreed to monitor and mitigate the identified risks. At each Trustee meeting, the Trustees and management discuss the latest view of the risk landscape to ensure that, as far as possible, all reasonable steps have been taken to identify, mitigate and manage known and emerging risks.

Below are four key risk factors faced by the Charity and how the risks are managed.

1. Financial Stability

Action we have taken to mitigate the risks:

Occupancy levels average over 90% across the Homes, ensuring that we are maximising available resources. This has significantly improved the organisation's finances. In addition, revised Terms and Conditions have been issued to all residents to improve debt recovery.

2. IT system refinement, including evaluation of the implementation of software solutions

Action we have taken to mitigate the risk:

The Charity is investing in a new payroll and rostering system to integrate all care systems. This will reduce the administrative burden on the Homes, allowing staff to focus more on providing care and interacting with residents. Cyber security risk mitigation remains a key area of focus, with regular vulnerability assessments to identify and address security weaknesses.

3. High Agency Usage

Actions we have taken to mitigate the risks:

The ability to recruit and retain staff remains a key risk for the Charity. The Executive Team have invested in a suite of measures to reduce the requirement for agency staff. Each home actively recruits for their vacant positions and there are plans in place for the recruitment of workers requiring visas.

4. Care Quality

Action we have taken to mitigate the risks:

The Charity is committed to ensuring it provides services that are safe and support a positive resident experience. It is recognised that other risks can impact on care delivery and quality, such as an inability to recruit staff and reliance on agency staff to support our services. Regional support has been established to collaborate with general managers to monitor service quality, including daily walk-arounds, weekly quality reviews, and regular staff forums. The Charity works to deliver the highest possible standards consistently, so staff are supported to be "inspection ready" for impending visits from regulators and commissioners who will want to see the quality of service delivered. The residents in each Nazareth House deserve nothing less.

To continually improve, we are committed to listening to the feedback from residents, staff, and relatives about the service we deliver. Feedback is captured and shared either via our website or via CareHome.co.uk. The feedback is also used as a training resource to help staff understand how residents experience their care.

MANAGEMENT AND TRUSTEES

Trustees Responsibilities

The Trustees (who are also directors of the Charity for company law) are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give an accurate and fair view of the state of affairs of the charitable company and the Group and of the income and expenditure of the charitable group 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 Accounting and Reporting by Charities: Statement of Recommended Practices applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- make judgments and estimates that are reasonable and prudent.
- state whether applicable United Kingdom 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 operation.

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. They are also responsible for safeguarding the assets of the charitable company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- So far as the Trustee is aware, there is no relevant audit information of which the charitable company auditor is unaware; and
- The Trustee has taken all the steps that he/she ought to have taken as a Trustee to make himself/herself aware of any relevant audit information and to establish that the charitable company auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s.418 of the Companies Act 2006.

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

Governance

The Charity is governed by its Trustees. The Superior General of the Congregation appoints the Trustees.

The principal property assets of the Congregation in England, Wales, Scotland and Northern Ireland are held on charitable trust by The Congregation of the Sisters of Nazareth Charitable Trust and by The Congregation of the Sisters of Nazareth Generalate. With effect from 1 April 2012, the Regional Superior of the Congregation's UK region became the Chair of Trustees ex officio. The Regional Councillors of the Congregation's UK region also became ex officio trustees.

The Superior General may appoint additional Sisters and Trustees who are not members of the Congregation to ensure that the necessary breadth of skills and experience is available to the Charity's

governing body. Details of the trustees can be found in the Reference and Administrative Details on page 2 of the Annual Report and Audited Financial Statements and below.

Newly appointed Trustees are given induction training that includes meetings with staff, meetings with representatives of partner organisations and visits to our houses, nurseries and retirement villages. Ongoing training opportunities will be provided as necessary as the work of the Charity develops.

The Current Trustees

Sister Bernadette Teresa McCall – Chair

Sister Bernadette is a member of the Congregation of the Sisters of Nazareth and committed to a life of service, justice, compassion, and care. She is a Registered Nurse and Care Manager with experience in Ireland and the UK and has worked in nursing management, counselling, and formation. She is guided by her vocation and the principles of servant leadership, she supports individuals and teams with empathy, integrity, and professionalism, encouraging others to be the best they can be while promoting dignity and holistic care.

Sister Lilian Bashford

Sister Lilian is a member of the Congregation of the Sisters of Nazareth since 1966, made Final Profession in 1974. She has wide and varied experience in the field of Residential Care and is a retired Psychoanalytical Psychotherapist. Sister Lilian held management and leadership positions within the Congregation

Sr Celine Donnelly – Trustee

Sr Celine completed her nursing studies at St George's Hospital Medical School and Kingston University in 1998, prior to becoming the Nurse manager in Nazareth House, Hammersmith, from 2001 until 2009. During this time, she completed a BSc in Health and Social Care, a diploma in palliative care and dementia care, and various management courses. Sr Celine has been in leadership positions in Lancaster, Finchley, and Cheltenham and is currently Sister Superior in Finchley.

Edward Norton – Trustee

Eddie holds a degree-level qualification in Banking and has worked for over 40 years in the financial services industry. He has held a variety of executive-level roles, including CEO, in the UK and overseas. He brings deep commercial experience across a broad range of disciplines, including risk management, finance, and corporate governance. Eddie is also an Independent Non-Executive Director and member of the Board, Audit and Risk Committees at National Bank of Egypt UK.

Peter Lovell - Trustee

Peter is a senior business leader with more than four decades of international experience in the growth and transformation of global financial markets, and a wealth of experience in corporate governance, risk management and regulatory compliance. He is a Chartered Director, with a foundation in trading and operations across four continents. He rose to Group Chief Executive of an international financial services company, regulated in multiple jurisdictions. He continues to advise other Charities and NGOs on governance and risk. His knowledge and experience of managing businesses in multiple locations, particularly in a highly regulated environment, will be an asset to Nazareth Cre Charitable Trust.

Edward Caddle - Trustee

Edward is a former Chief Financial Officer and Managing Director of several multinational companies, primarily in the FinTech, Payments, and Data industries. He brings financial and strategic board level experience in both the commercial and charity sectors. Most recently, he was a Trustee of the National Autistic Society, where he chaired the Finance & Resources Committee. A qualified accountant, he also holds postgraduate qualifications in Marketing and Human Resources, an MBA from Cranfield Business

School, and an MA in Philosophy from the University of London.

Nigel Mapp - Trustee

Nigel founded MAPP in 1998 and shaped and grew the business to become the leader in its chosen field. Nigel stepped down as CEO and orchestrated the transfer of the business into an Employee Ownership Trust in 2023. Nigel remains a Trustee of the MAPP Employee Owned Trust as well as several other Director/Trustee roles in the charitable sector including L'Arche, and Oasis. Nigel is an avid traveller with recent visits to Antarctica, Svalbard and The Annapurna, a keen photographer and occasionally swings a golf club.

James McAleenan – Trustee

James qualified as a chartered accountant (SA) and then worked for over 40 years in financial services in the UK and abroad. He has extensive experience in corporate governance, finance and risk and has carried out a variety of roles, including CEO, trustee and independent director. He retired from full-time employment in 2016 and is now a part-time trustee and non-executive director for the Mineworkers' Pension Scheme, Holley Holland financial consultants and Nazareth Care Charitable Trust.

Donald West - Trustee

Don has worked in healthcare management for over 30 years, advising hospitals, community and mental health organisations in the UK, Germany and elsewhere on a range of issues, including capital investment, cost improvement and financial recovery, information technology and business intelligence. Don is active in his parish, with a particular interest in evangelisation and ministry. He has a degree in Geography and Philosophy from the University of Wales and an MBA from the Open University. He is a keen runner and sailor.

Father John Martin – Trustee

Father John Martin has a wide and varied experience in the field of health care and management. He was a Brother of Saint John of God for 33 years. During that time, he has worked in pastoral care, social work, and management, and was Chief Executive of the Hospitaller Order of Saint John of God for 12 years. On leaving the Order, he joined the Priesthood and is now a Priest in the Diocese of Nottingham and previously held the role of the Bishop's Delegate for the Youth of the Diocese as well as managing a Parish. Father John brings with him a vast amount of experience of being a trustee.

Governance Structure and Management Reporting

The Trustees are ultimately responsible for all the policies, activities and assets of the Charity and the Group. They meet regularly, at least four times each year, to review performance, progress against plans and budgets, and to consider broader developments regarding the activities of the Charity and the Group and to make any critical decisions.

When necessary, the Trustees seek advice and support from the Charity's professional advisers, including property consultants, investment managers, solicitors, and accountants. The Trustees delegate the running and operating of the Group and Charity on a day-to-day basis to the Chief Executive.

Engagement with stakeholders

Over the last 12 months, all NCCT businesses have been visited by executive directors. During these visits separate meetings are held with residents, their families, employees and the communities of the Sisters of Nazareth.

The Directors confirm that in accordance with Section 172 (1) of the Companies Act they act in a way they consider would be most likely to achieve the purposes of the Company. In making this assessment, the Directors have considered the following.

1. The likely consequences of any decision in the long term

The long-term sustainability of the operating model is considered by the Directors as set out in the going concern section of the Directors' Report. Specifically, the Directors consider both short- and longer-term financial projections and the key risks that could negatively impact the sustainability of Nazareth Care Charitable Trust. The Directors review management information, budgets, forecasts, cashflow projections and progress against the financial recovery plan regularly.

Risk management is embedded at all levels across the Company. The most significant risks are discussed at each Board meeting. The responsibilities of Directors in relation to capital expenditure and investment decisions are set out in the Delegated Responsibilities. This document is reviewed and approved by the Board of Directors annually.

2. Statement of Engagement with Employees

NCCT is an equal opportunity employer, and it is within its policy that all job applicants and employees are treated fairly and equally. Furthermore, the organisation will monitor the composition of its workforce to ensure the policy's effectiveness. NCCT is committed to training and developing its employees to eliminate discrimination and harassment as far as reasonably possible.

In relation to employee engagement, the Directors receive regular reports from management on the satisfaction of staff which is measured through staff engagement surveys. The latest staff survey was completed in July 2023 and revealed an overall satisfaction increase on all key drivers.

The Directors attend the Charity's annual conference, together with all General Managers, Sister Superiors, and the Senior Management Team, where they can discuss and contribute to the Charity's initiatives.

The Directors perform regular site visits according to a pre-agreed rolling schedule that ensures all locations are covered within a period. During such visits, the Directors engage with staff and management and can discuss freely the day-to-day needs and challenges to gain a clear perspective on the business.

The Company has complied with the UK's Equality Act 2010 Regulations 2017 that require the publication of information on the gender pay gap for UK employees annually. The latest report is available on the Nazareth Care UK website.

3. The need to foster the company's business relationships with suppliers, customers, and others

Regarding key stakeholder engagement, the Directors consulted with stakeholders through various channels, including correspondence, webinars, and the annual conference.

Purchases must be made through approved suppliers and group contracts, as per the authority stipulated in the Delegated Responsibility document. Nazareth Care Charitable Trust is committed to ensuring that its mission and values are reflected in its approach to buying goods and services. All national procurements must conclude with a written agreement with the chosen supplier in the form of a contract signed by both parties. In particular, the contract must include a detailed specification of the goods/services to be supplied and a set of clear payment terms.

Key management personnel

The CEO is responsible for managing the Charity, together with colleagues from the UK Region. The Trustees, who oversee the direction and control of the Group and Charity, delegate the day-to-day running and operation of the Group and Charity to the Chief Executive and the senior management team. They comprise the key management of the Group and Charity. The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for the year was £515,149 (2024 - £414,609).

The performance and pay of the Chief Executive and the senior management team are reviewed periodically and benchmarked against industry rates.

Fundraising

The Trust is committed to high standards in fundraising. We are registered with the Fundraising Regulator and continue to monitor and update our data protection policies to make sure that our fundraising activities and communications with our Friends and supporters comply fully with the latest regulations.


Our fundraising materials and communications clearly highlight that:

- The Trust does not make public or sell supporter details to any third parties; and
- Friends and supporters can receive updates about the Trust's work by post and email but anyone not wanting to accept these can let the Trust know and such communication will not then be sent
- The Trust does not employ a professional fundraiser or commercial participator to carry out any fundraising activities
- The Trust does not subscribe to any fundraising standards or schemes; and has not failed to comply with any regulation subscribed to in relation to fundraising
- The Charity has not received any complaints about its fundraising activities (2024 - none)

Stocks and Work in Progress

In the light of the selling price of Blackburn units, the interest shown in the purchase of the remaining apartments at Blackburn and the apartments at Plymouth which were completed in 2015/16, the Trustees believe that the value of stocks and work in progress is not less than the historic cost figure recorded on the Group's balance sheet.

The Trustees' Report, including the Strategic Report, was approved by the Trustees and signed on their behalf by:



SISTER BERNADETTE MCCALL

Chair of the Board of Trustees

Date of approval: November 13, 2025

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF NAZARETH CARE CHARITABLE TRUST

Opinion

We have audited the financial statements of Nazareth Care Charitable Trust (the 'charitable parent company') and of Nazareth Care Charitable Trust and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the group and charitable parent company statements of financial activities, group and charitable parent company balance sheets, the group statement of cash flows, the principal accounting policies and the notes to the financial statements. 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 group's and of the charitable parent company's affairs as of 31 March 2025 and of the group's and charitable parent company's 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 (as amended).

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 group 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.

Material Uncertainty related to Going Concern

We draw attention to the accounting policy in relation to going concern on page 26 in the financial statements, which indicates that the Trustees consider there to be material uncertainty in respect of going concern.

During the previous financial period Nazareth Care Charitable Trust faced challenges including agency costs, occupancy rates and the recovery of historic debt as detailed in the accounting policy on going concern. An improved position is reported in the year ended 31 March 2025 but there continues to be ongoing risk as the charity seeks to strengthen its financial position.

Set out in the accounting policy on going concern on page 28 the Trustees have concluded that Nazareth Care Charitable Trust has a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and have therefore prepared the accounts on a going concern basis but a material uncertainty exists that may cast significant doubt on the charitable company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Other Information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Audited Financial Statements, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 during the audit:

- the information given in the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, has 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 group and the charitable parent company and its environment obtained during the audit; we have not identified material misstatements in the trustees' report including the 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 (as amended) requires us to report to you if, in our opinion:

- proper and adequate accounting records have not been kept by the charitable parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable parent company 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 set out on page 14, 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 group's and the charitable parent 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 group or the charitable parent company or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 based on these financial statements.

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. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the charitable company were Care quality Regulations (CQC, Ofsted, Care Inspectorate) for service providers and managers, General Data Protection Regulation (GDPR), Health and safety legislation and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, recording the impact of the care quality regulatory reviews and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance Audit and Risk Sub-Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 charity's trustees as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and 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 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 and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



NICOLA MAY (Senior Statutory Auditor)
For and on behalf of Crowe U.K. LLP
 Statutory Auditor
 London

Date 24 November 2025

GROUP STATEMENT OF FINANCIAL ACTIVITIES – YEAR ENDED 31 MARCH 2025

(Incorporating income and expenditure account)

		GROUP					
	Notes	Unrestricted Funds	Restricted Funds	Total 2025	Unrestricted Funds	Restricted Funds	Total 2024
Income from:							
Donations and legacies	2	500,000	4,501,661	5,001,661	462,456	1,903,535	2,365,991
Charitable activities							
Charges for residential and care services		36,045,606	-	36,045,606	30,668,249	-	30,668,249
Charges for nursery services		712,355	-	712,355	580,701	-	580,701
Other trading activities	3	1,372,492	-	1,372,492	1,276,725	-	1,276,725
Other income		145,030	-	145,030	2,580,608	3,000	2,583,608
Total Income		38,775,483	4,501,661	43,277,144	35,568,739	1,906,535	37,475,274
Expenditure on:							
Raising funds	4	1,305,054	-	1,305,054	1,296,400	-	1,296,400
Charitable activities							
Provision of residential and care services	5	37,494,767	128,067	37,622,834	34,617,175	62,801	34,679,976
Provision of nursery services	6	583,540	-	583,540	530,442	-	530,442
Total expenditure		39,383,361	128,067	39,511,428	36,444,017	62,801	36,506,818
Net income/(expenditure)	8	(607,878)	4,373,594	3,765,716	(875,278)	1,843,734	968,456
Transfers between funds		3,973,594	(3,973,594)	-	1,843,734	(1,843,734)	-
Net movement in funds		3,365,716	400,000	3,765,716	968,456	-	968,456
Reconciliation of funds							
Fund balances brought forward on 1 April 2024		1,391,297	-	1,391,297	422,841	-	422,841
Fund balances carried forward on 31 March 2025		4,757,013	400,000	5,157,013	1,391,297	-	1,391,297

All recognised gains and losses are included in the above statement of financial activities. All activities are derived from continuing operations in each of the above two financial years.

CHARITY STATEMENT OF FINANCIAL ACTIVITIES – YEAR ENDED 31 March 2025

(Incorporating income and expenditure account)

		CHARITY					
	Notes	Unrestricted Funds	Restricted Funds	Total 2025	Unrestricted Funds	Restricted Funds	Total 2024
Income from:							
Donations and legacies	2	500,000	4,501,426	5,001,426	462,456	1,903,535	2,365,991
Charitable activities							
Charges for residential and care services		36,045,606	-	36,045,606	30,668,249	-	30,668,249
Charges for nursery services		712,355	-	712,355	580,701	-	580,701
Other trading activities	3	-	-	-	-	-	-
Other income		157,249	-	157,249	2,585,894	3,000	2,588,894
Total Income		37,415,210	4,501,426	41,916,636	34,297,300	1,906,535	36,203,835
Expenditure on:							
Raising funds	4	-	-	-	-	-	-
Charitable activities							
Provision of residential and care services	5	37,444,159	127,832	37,571,991	34,555,184	62,801	34,617,985
Provision of nursery services	6	583,540	0	583,540	530,442	0	530,442
Total expenditure		38,027,699	127,832	38,155,531	35,085,626	62,801	35,148,427
Net income/(expenditure)	8	(612,489)	4,373,594	3,761,105	(788,326)	1,843,734	1,055,408
Transfers between funds		3,973,594	(3,973,594)	-	1,843,734	(1,843,734)	-
Net movement in funds		3,361,105	400,000	3,761,105	1,055,408	-	1,055,408
Reconciliation of funds							
Fund balances brought forward on 1 April 2024		1,546,565	-	1,546,565	491,157	-	491,157
Fund balances carried forward on 31 March 2025		4,907,670	400,000	5,307,670	1,546,565	-	1,546,565

All recognised gains and losses are included in the above statement of financial activities. All activities derived from continuing operations in each of the above two financial years.

BALANCE SHEETS – 31 March 2025

	Notes	GROUP		CHARITY	
		2025	2024	2025	2024
Fixed assets:					
Tangible assets	12	8,016,204	4,363,095	8,016,202	4,363,093
Investments	13	-	-	7	8
Total fixed assets		8,016,204	4,363,095	8,016,209	4,363,101
Current assets:					
Stocks and work in progress	14	355,000	355,000	-	-
Debtors	15	1,381,579	2,684,046	1,545,422	2,483,238
Cash at bank and in hand		3,047,894	1,577,604	2,436,467	1,134,995
Total current assets		4,784,473	4,616,650	3,981,889	3,618,233
Liabilities:					
Creditors: amounts falling due within one year	16	(5,842,234)	(5,764,153)	(5,647,768)	(5,368,109)
Net current liabilities		(1,057,761)	(1,147,503)	(1,665,879)	(1,749,876)
Total assets less current liabilities		6,958,443	3,215,592	6,350,330	2,613,225
Creditors: amounts falling due after one year	17	(1,565,926)	(1,589,926)	(1,042,660)	(1,066,660)
Provision for liabilities	18	(235,504)	(234,369)	-	-
Total net assets		5,157,013	1,391,297	5,307,670	1,546,565
The funds of the charity:					
Restricted funds	19	400,000	-	400,000	-
Unrestricted funds	20	4,757,013	1,391,297	4,907,670	1,546,565
Total funds		5,157,013	1,391,297	5,307,670	1,546,565

Approved by the Trustees on and signed on their behalf by:

Sr Bernadette McCall

SISTER BERNADETTE MCCALL

Chair of the Board of Trustees

Date of approval: November 13, 2025

Charity Registration Numbers England & Wales: 1113666 Scotland: SC042374
Company Limited by Guarantee Registration Number: 05518564

GROUP STATEMENT OF CASH FLOWS – YEAR ENDED 31 March 2025

	Notes	2025	2024
Cash flows from operating activities:			
Net cash provided by operating activities	A	5,893,020	3,071,506
Cash flows from investing activities:			
Purchase of tangible fixed assets		(4,422,730)	(2,215,901)
Net cash used in investing activities		(4,422,730)	(2,215,901)
Cash flows from financing activities:			
Repayments of borrowing		-	-
Net cash used in financing activities		-	-
Change in cash and cash equivalents in the year		1,470,290	855,605
Cash and cash equivalents at 1 April 2024	B	1,577,604	721,999
Cash and cash equivalents at 31 March 2025	B	3,047,894	1,577,604
<u>A Reconciliation of net movement in funds to net cash provided by operating activities</u>			
Net movements in funds (as per statement of financial activities)		3,765,716	968,457
Adjustment for:			
Depreciation charge		769,621	800,754
Provision for doubtful debts		(463,847)	364,373
Decrease in stocks		-	97,349
Decrease in debtors		1,766,314	294,717
Increase in creditors		54,081	547,991
Increase in provision for liabilities		1,135	(2,135)
Net cash provided by operating activities		5,893,020	3,071,506
<u>B Analysis of cash and cash equivalents</u>			
Total cash and cash equivalents			
Cash at bank and in hand		3,047,894	1,577,604

PRINCIPAL ACCOUNTING POLICIES – YEAR ENDED 31 March 2025

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

The charity is a limited by guarantee company (registered number 05518564), which is incorporated and domiciled in the UK and is a public benefit entity. The address of the registered office is Larmenier Centre, 162 East End Road, London, N2 0RU. These financial statements have been prepared for the year to 31 March 2025 with comparative information provided in respect to the year to 31 March 2024.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

The financial statements are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

In the application of the accounting policies, Trustees are required to make judgment, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other relevant factors. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects current and future periods. In view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

Assessment of going concern

The Trustees have assessed whether the going concern assumption is appropriate for the preparation of these financial statements. The Trustees have made this assessment in respect of a period of sixteen months from the date of approval of these financial statements to March 2027. The Trustees have considered several factors when forming their conclusion as to whether the use of the going concern basis of preparation is appropriate in preparing these financial statements including a review of forecasts and cashflows to 31 March 2027, a consideration of the key risks that could negatively impact NCCT and the funding agreements in place with connected charities Congregation of the Sisters of Nazareth Generalate (CSNG) and Congregation of the Sisters of Nazareth Charitable Trust (CSNCT)).

The group reports an unrestricted surplus of £3.4 million for the year ending 31 March 2025, compared with £1.0 million for the year ending 31 March 2024. Reserves were severely impacted over the last few years, with free reserves on 31 March 2025 being a deficit of £3.2 million and (2024 – deficit of £3.0 million).

The funding provided to support NCCT was a £5 million grant from CSNG, issued initially in November 2022, and a loan of £1 million from CSNCT, repayable over ten years. At year-end, NCCT had a remaining grant of £0.3 million to draw down. The charity is not forecast to draw down this final amount. Additionally, CSNCT has provided a repayable overdraft facility of up to £0.5 million until 31 July 2027 to support NCCT in meeting its liabilities as they fall due, should this be required. It is not expected that the overdraft facility will be used given the improved position to date, the cashflow forecast and scenarios modelled.

The Trustees have prepared a forecast and a monthly cashflow forecasts to 31 March 2027 with a base case plus two additional scenarios were modelled with variations on the cost and income.

The key areas of uncertainty outlined below have improved in 2024/25 but are still issues:

- There has been a significant increase in occupancy levels in the homes, and the forecast assumes the occupancy levels are maintained. Still, occupancy remains a key focus for management and the Trustees.
- Agency costs have continued to reduce from 31 March 2025, and maintaining these at the budgeted level remains a challenge for management. There continue to be significant challenges in the recruitment market. As detailed below, NCCT has taken steps to mitigate this risk, reflected in the budgets and forecasts produced. However, there is a risk that the reduced level of agency spend may not be sustained if challenges in recruiting staff increase or if the level of overseas staff is not maintained.
- The ability to attract private fee-paying residents whilst also increasing fees in line with costs is uncertain, particularly following the National Insurance and minimum wages increases that came into effect in April 2025. The level of fee increase has been modelled in the cash flow scenarios, and an assumption has been made that the private resident percentage is not increased. Additional fee-paying residents would have a positive impact on cash flow.
- Not all local authority funding for care home fees has been increased in line with the higher cost of running the care homes due to the impact of the National Insurance and Minimum Wage increases implemented in April 2025. The impact of this has been included within the cashflow forecasts and assumptions of the local authority increases have been modelled in the scenarios.

The forecasts and cash flows remain highly sensitive to changes in the timing of income receipt, occupancy levels, and the management of agency costs. Recognising the reduced level of free reserves, the Trustees continue to focus on the cash position and forecast. However, it is acknowledged that, despite the support from CSNG and CSNCT and the improvements in performance over the last two years, there is still limited headroom to absorb the impact of uncertainties.

The Trustees have considered several factors when forming its conclusion as to whether the use of the going concern basis is appropriate in preparing these financial statements:

- The base cashflow forecast has modelled sensitivities incorporating key assumptions, including occupancy levels, day rates on fee income, pay costs, use of agency staff, anticipated timing of grant drawdown and the impact of inflationary pressures.
- Cash management controls are in place to always ensure sufficient working capital. Cashflow forecasts have been completed to March 2027 with weekly cash checks in place. Credit controls are in place, and regular meetings are held to address current debt. Group aged debtors totaled £1.4 million of which £1.0 million is provided for.
- At the time of signing these financial statements, £0.25 million of the CSNG credit facility remains available for drawdown.
- A letter of support has been provided by CSNCT, providing an overdraft facility of up to £0.5 million to July 2026.
- High occupancy levels and low agency costs have been maintained from April to October 2025.
- There continues to be close monitoring of budgets and cash flows with regular reporting to the Board.

After considering these factors, the Trustees concluded that NCCT has a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and has therefore prepared the accounts on a going concern basis; however, there are material uncertainties as discussed above.

Basis of Consolidation

The Group's statement of financial activities and the Group's balance sheet consolidate the financial statements of the Charity and the following wholly owned subsidiaries:

NRV Development (Blackburn) Limited - Company number 05906057
 NRV Development (Plymouth) Limited - Company number 05940933
 NRV Blackburn Limited - Company number 06297407
 NRV Management (Plymouth) Limited - Company number 08461398
 Nazareth Catering Limited - Company number 06740428
 Nazareth Home Care Limited - Company number 08461286 (dissolved in year)
 NRV Management (Glasgow) Limited - Company number 09382077
 Nazareth Care Contracts Limited – Company number 13724296
 NRV Development (Glasgow) Limited - Company number 09382096 (dormant)

The charity has taken advantage of the exemptions in FRS 102 from the requirements to present a charity-only Cash Flow Statement and certain disclosures about the charity's financial instruments.

Income Recognition

Income is recognised in the period in which the Group and/or Charity has entitlement to the income, the amount of income can be measured reliably, and the income will probably be received. Income comprises donations and legacies, charges for residential and care services, charges for nursery services, income from other trading activities and other income.

Donations are reported on a receivable basis. If a donation is subject to conditions that require a level of performance before the Group and/or Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Group and/or Charity. Those conditions will likely be met during the reporting period.

In accordance with the Charities SORP FRS 102, volunteer time is not recognised.

Legacies are included in the statement of financial activities when the Group and/or Charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy and any conditions attached to the legacy are within the control of the Group and/or Charity. Entitlement is taken as the earlier of the date on which either: the Group and/or Charity is aware that probate has been granted, the estate has been finalised, and notification has been made by the executor to the Group and/or Charity that a distribution will be made, or when a distribution is received from the estate. Where legacies have been notified to the Group and/or Charity, or the Group and/or Charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. If the gift is in the form of an asset other than cash, or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having been transferred to the Group and/or Charity.

Income derived from the levying of charges for residential, care and nursery services are measured at the fair value of the consideration received or receivable, excluding discounts and rebates.

Income generated from other trading activities comprises income from the Charity's trading subsidiary companies, details of which are provided in note 1 to the financial statements. Such income is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Expenditure Recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Group and/or Charity to make a payment to a third party, a transfer of economic benefits will probably be

required in settlement, and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accrual basis. The classification between activities is as follows:

- Expenditure on raising funds includes all expenditure associated with raising funds for the Group and/or Charity. This includes commercial trading operations of the subsidiaries and interest payable. Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the Group and/or Charity through the provision of charitable activities. Such costs include the provision of residential and care services and the provision of nursery services, including governance costs.
- All expenditure is stated inclusive of irrecoverable VAT.
- Governance costs comprise the costs involving the public accountability of the Group and/or Charity (including audit costs) and costs in respect to its compliance with regulation and good practice.
- In allocating expenditure to headings, no significant apportionments have had to be used.

Tangible Fixed Assets

All assets and improvements to existing assets costing more than £5,000 and with an expected useful life exceeding one year are capitalised. The Group and Charity have opted to adopt a policy of not revaluing their tangible fixed assets, which are stated at cost less accumulated depreciation.

A review for impairment of a tangible fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of any tangible fixed asset may not be recoverable.

Leasehold Interest and Improvements

The leasehold interest comprises two amounts of £1 each and represents the residual investment value of leases in Blackburn and Plymouth. It is not depreciated.

Leasehold improvements are included in the financial statements at cost. They are depreciated at a rate of 10% per annum on a straight-line basis once there are 50 or fewer years of the lease remaining.

Other Tangible Fixed Assets

Other tangible fixed assets are capitalised and depreciated at the following annual rates to write them off over their estimated useful lives.

- Furniture and equipment 10% per annum on the straight-line basis
- Motor vehicles 25% per annum based on reducing balance.

Assets are depreciated once they are brought into use. A full year's depreciation is applied in the year of addition.

Fixed Asset Investments

Investments in subsidiary companies are included on the balance sheet at cost.

Stocks and Work in Progress

Stocks and work in progress represent land and buildings under development. Work in progress and consumables are valued at the lower of the costs and net realisable value. The land and building costs comprise the costs of the land, materials, directly attributable interest and other services related to the development and construction of the properties.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt

where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short-term deposits.

Creditors and provisions

Creditors and provisions are recognised when, at the balance sheet date, there is an obligation resulting from a past event, a transfer of economic benefit will probably be required to settle it, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the Group and/or Charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Funds Structure

Restricted funds represent donations received to the benefit of specific homes or area subject to specific conditions imposed by the donors or when the funds are raised for particular restricted purposes.

The remainder of the Group's and/or Charity's funds are unrestricted. Within the unrestricted funds, the tangible fixed assets fund represents the net book value of the Group and/or Charity's tangible fixed assets. These assets are essential to the continued mission of the Group and/or Charity and include improvements to care homes and the furniture and equipment used in those care establishments.

The general fund represents those monies which are freely available for application towards achieving any charitable purpose that falls within the Group and/or Charity's charitable objects.

Pensions

Contributions in respect of the Group's and Charity's defined contribution pension schemes are charged to the statement of financial activities when they are payable to the scheme. The Group's and Charity's contributions are restricted to the contributions disclosed in note 9. There were no outstanding contributions at the year end. The Group has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

Prior Year Adjustment

During the current financial year, management identified an adjustment relating to prior periods. The comparative figures for the year ended 31 March 2024 have therefore been restated to include this adjustment and to ensure comparability with the current year's financial statements.

The adjustment relates to the accrual of staff costs that should have been recognised. The effect of the restatement on the previously reported figures is as follows:

Description	As previously reported	Adjustment	As restated
Provision of residential and care services	34,556,838	123,138	34,679,976
Net (expenditure)/income	1,091,594	(123,138)	968,456
Fund balances brought forward on 1 April 2023	1,161,658	(738,817)	422,841
Fund balances brought forward on 1 April 2024	2,253,252	(861,955)	1,391,297
Creditors falling due within one year	(4,902,198)	(861,955)	(5,764,153)

The adjustment has no impact on the current year's cash flows. Comparative information has been restated accordingly, and the opening balances at 1 April 2024 have been adjusted to reflect the correction.

NOTES TO THE FINANCIAL STATEMENTS – YEAR ENDED 31 March 2025

1. Activities of the Subsidiary Companies

A summary of the financial statements of those subsidiary companies which traded during the year ended 31 March 2025 is as follows:

	NRV Development Blackburn	NRV Development Plymouth	NRV Blackburn	Nazareth Catering	Nazareth Home Care	NRV Management Plymouth	NRV Management Glasgow	Nazareth Care Contracts	Total
Turnover	43,986	-	614,564	54,269	3,667	581,922	95,520	-	1,393,928
Cost of sales	-	-	(367,830)	(32,903)	-	(382,934)	(46,003)	-	(829,670)
	43,986	-	246,734	21,366	3,667	198,988	49,517	-	564,258
Administrative costs	(30,253)	(9,124)	(246,734)	(12,378)	(436)	(198,988)	(49,517)	-	(547,430)
Gift aid donation	-	-	-	(8,988)	(3,231)	-	-	-	(12,219)
	(30,253)	(9,124)	(246,734)	(21,366)	(3,667)	(198,988)	(49,517)	-	(559,649)
Profit / (loss) before taxation	13,733	(9,124)	-	-	-	-	-	-	4,609
Profit / (loss) for the financial year	13,733	(9,124)	-	-	-	-	-	-	4,609
Capital and reserves									
Called up share capital	1	1	1	1	-	1	1	-	6
Retained earnings/(accumulated losses)	(112,667)	(70,137)	-	1,684	-	-	-	-	(181,120)
Shareholder's funds	(112,666)	(70,136)	1	1,685	-	1	1	-	(181,114)

A summary of the financial statements of those subsidiary companies which traded during the year ended 31 March 2024 is as follows:

	NRV Development Blackburn	NRV Development Plymouth	NRV Blackburn	Nazareth Catering	Nazareth Home Care	NRV Management Plymouth	NRV Management Glasgow	Nazareth Care Contracts	Total
Turnover	42,649	-	522,569	49,087	7,000	567,579	80,545	-	1,269,429
Cost of sales	-	-	(325,381)	(39,948)	-	(362,251)	(23,636)	-	(751,216)
	42,649	-	197,188	9,139	7,000	205,328	56,909	-	518,213
Administrative costs	(136,482)	(7,829)	(197,188)	(15,056)	(6,724)	(205,328)	(56,909)	-	(625,516)
Gift aid donation	-	-	-	-	(276)	-	-	-	(276)
	(136,482)	(7,829)	(197,188)	(15,056)	(7,000)	(205,328)	(56,909)	-	(625,792)
Profit / (loss) before taxation	(93,833)	(7,829)	-	(5,917)	-	-	-	-	(107,579)
Taxation	-	-	-	-	-	-	-	-	0
Profit / (loss) for the financial year	(93,833)	(7,829)	-	(5,917)	-	-	-	-	(107,579)
Capital and reserves									
Called up share capital	1	1	1	1	1	1	1	-	7
Retained earnings/(accumulated losses)	(126,400)	(61,013)	24	1,684	9,807	-	-	-	(175,898)
Shareholder's funds	(126,399)	(61,012)	25	1,685	9,808	1	1	-	(175,891)

A summary of the principal activities of each of the companies which traded is given below:

Company name	Principal activity
NRV Development (Blackburn) Limited	Development of a retirement village in Blackburn
NRV Development (Plymouth) Limited	Development of a retirement village in Plymouth
NRV Blackburn Limited	The property management of Blackburn
Nazareth Catering Limited	The provision of catering services to the villages at Blackburn
NRV Management Plymouth Limited	The property management of Plymouth
NRV Management Glasgow Limited	The property management of Glasgow
Nazareth Home Care Limited (Dissolved)	The provision of care services for other religious organisations.
Nazareth Catering Limited	Following a review of the group structure since the year end, the net assets will be passed to NRV Blackburn, and activity within this company will cease.
Nazareth Care Contracts Limited	Established to enable a group registration for VAT.

Nazareth Catering Limited and Nazareth Home Care Limited pay all their distributable profits to Nazareth Care

Nazareth Care Charitable Trust

Charitable Trust. The amount gifted to the Charity in 2025 was £8,988 (2024 £nil). Nazareth Home Care Limited was dissolved in the year. NRV Blackburn Limited, NRV Management Plymouth Limited and NRV Management Glasgow Limited pay an annual management charge to Nazareth Care Charitable Trust. The amount charged in 2025 was £72,044 (2024 - £80,119).

	2025	2024
	£	£
NRV Blackburn Limited	43,200	43,200
Nazareth Home Care Limited	3,230	276
Nazareth Catering Limited	8,988	-
NRV Management Plymouth Limited	21,244	29,700
NRV Management Glasgow Limited	7,600	7,219
Total	84,262	80,395

NRV Development Glasgow Limited (company number 09382096) was dormant throughout the above two years and at 31 March 2025 had capital and reserves equal to its called-up share capital only i.e. £1.

Financial statements for each company in existence on 31 March 2025 will be filed with the Registrar of Companies in due course. The address of the registered office for all the subsidiary companies is Larmenier Centre, 162 East End Road, London, N2 0RU.

2. Donations and Legacies

Group	Unrestricted funds £	Restricted funds £	2025 Total funds £	Unrestricted funds £	Restricted funds £	2024 Total funds £
General donations and legacies	500,000	124,067	624,067	462,456	62,801	525,257
Grants received	—	4,377,594	4,377,594	—	1,840,734	1,840,734
Total	500,000	4,501,661	5,001,661	462,456	1,903,535	2,365,991

Charity	Unrestricted funds £	Restricted funds £	2025 Total funds £	Unrestricted funds £	Restricted funds £	2024 Total Funds £
General donations and legacies	500,000	123,832	623,832	462,456	62,801	525,257
Grants received	—	4,377,594	4,377,594	—	1,840,734	1,840,734
Total	500,000	4,501,426	5,001,426	462,456	1,903,535	2,365,991

Nazareth Care Charitable Trust received a grant of £3.9m from the Congregation of the Sisters of Nazareth Generalate (CSNG) to enable the refurbishment of the Hammersmith care home. The total of the grant commitment from CSNG is £25m to be paid in arrears of the development costs being incurred

3. Income from Other Trading Activities

	Unrestricted Funds £	Restricted Funds £	2025 Total funds £	Unrestricted Funds £	Restricted Funds £	2024 Total funds £
Income from commercial trading operations of subsidiaries	1,211,294	-	1,211,294	1,149,431	-	1,149,431
Rental income	43,986	-	43,986	42,649	-	42,649
Other operating income	117,212	-	117,212	84,645	-	84,645
	1,372,492	-	1,372,492	1,276,725	-	1,276,725

4. Expenditure on Raising Funds

	Unrestricted Funds £	Restricted Funds £	2025 Total funds £	Unrestricted Funds £	Restricted Funds £	2024 Total funds £
Expenditure on commercial trading operations of subsidiaries	1,305,054	-	1,305,054	1,296,400	-	1,296,400
	1,305,054	-	1,305,054	1,296,400	-	1,296,400

5. Residential and Care Services

Group

	2025			2024		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Staff costs	26,880,499	-	26,880,499	24,164,827	-	24,164,827
Premises	2,197,331	128,067	2,325,398	2,081,869	62,801	2,144,670
Care and welfare	6,797,008	-	6,797,008	6,305,929	-	6,305,929
Central management costs	854,346	-	854,346	803,894	-	803,894
Depreciation	756,459	-	756,459	794,184	-	794,184
Doubtful debts	(99,476)	-	(99,476)	364,371	-	364,371
Governance	108,600	-	108,600	102,101	-	102,101
Total	37,494,767	128,067	37,622,834	34,617,175	62,801	34,679,976

Charity

	2025			2024		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Staff costs	26,166,067	-	26,166,067	23,502,747	-	23,502,747
Premises	2,197,566	127,832	2,325,398	2,081,869	62,801	2,144,670
Care and welfare	6,770,595	-	6,770,595	6,295,091	-	6,295,091
Central management costs	1,568,777	-	1,568,777	1,465,974	-	1,465,974
Depreciation	756,459	-	756,459	794,184	-	794,184
Doubtful debts	(81,749)	-	(81,749)	355,579	-	355,579
Governance	66,444	-	66,444	59,740	-	59,740
Total	37,444,159	127,832	37,571,991	34,555,184	62,801	34,617,985

Support costs incurred by the charity are included in Care and Welfare and totalled £922,130 (2024 - £854,673). They comprise the support functions of finance and IT expenditure.

6. Provision of Nursery Services

	2025			2024		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Staff costs	426,982	-	426,982	391,543	-	391,543
Premises	33,557	-	33,557	10,551	-	10,551
Care and welfare	80,060	-	80,060	90,017	-	90,017
Central management costs	32,683	-	32,683	30,541	-	30,541
Depreciation	8,902	-	8,902	6,571	-	6,571
Governance	1,356	-	1,356	1,219	-	1,219
Total	583,540	-	583,540	530,442	-	530,442

Support costs incurred by the Nursery are included in Care and Welfare and totaled £6,716 (2024- £7,559). They comprise the support functions of finance and IT expenditure.

7. Governance

Group	2025			2024		
	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	£	£	£	£	£	£
Auditor's remuneration and audit costs, including VAT						
Statutory audit in the year	108,600	—	108,600	103,320	—	103,320
Other services: taxation services	6,900	—	6,900	—	—	—
Other service, service charge account	6,300		6,300			
Total	121,800	—	121,800	103,320		103,320

Charity	2025			2024		
	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	£	£	£	£	£	£
Auditor's remuneration and audit costs, including VAT						
Statutory audit in the year	67,800		67,800	60,959		60,959
Other services: taxation services	1,080		1,080			
Total	68,880	—	68,880	60,959		60,959

8. Net Income/(Expenditure) and Net Movement in Funds for the Year

This is stated after charging:

Group	2025	2024
	Total Funds	Total Funds
	£	£
Auditors remuneration	108,600	103,320
Depreciation	769,621	800,754

Charity	2025	2024
	Total Funds	Total Funds
	£	£
Auditors remuneration	67,800	60,959
Depreciation	769,621	800,754

9. Staff Costs and Remuneration of Key Management Personnel

Staff costs during the year were as follows:

	2025	2024
Group		
Wages and salaries	23,008,980	19,253,899
Social security costs	1,974,377	1,568,755
Other pension costs	433,236	315,098
Redundancy payments	15,000	0
Apprenticeship levy	115,236	96,773
	25,546,829	21,234,525
Payments to agency staff	1,760,652	3,321,845
Total	27,307,481	24,556,370

Charity	2025	2024
Wages and salaries	22,353,816	18,641,018
Social security costs	1,938,337	1,534,538
Other pension costs	424,223	305,707
Redundancy payments	15,000	0
Apprenticeship levy	112,106	93,827
	24,843,482	20,575,090
Payments to agency staff	1,749,569	3,319,200
Total	26,593,051	23,894,290

The average number of employees during the year was:

Group	2025	2024
Provision of residential and care services and nursery services	1,002	978

Charity	2025	2024
Provision of residential and care services and nursery services	961	941

The number of employees earning £60,000 per annum or more (including taxable benefits but excluding redundancy pay and similar payments and employer pension contributions) during the year was as follows:

Group and Charity	2025 Number	2024 Number
£60,001 - £70,000	9	2
£70,001 - £80,000	3	3
£80,001 - £90,000	1	1
£90,001 - £100,000	1	0
£100,001 - £110,000	2	1

The Group and Charity paid £55,306 (2024 - £13,247) in respect to defined contribution pension plans for the above higher paid employees.

The Trustees, who oversee the Group and Charity, delegate the day-to-day running and operations of the Group and Charity to the Chief Executive and the senior management team. They comprise the key management of the Group and Charity. The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for the year was £515,149 (2024 - £414,609).

10. Trustees' Expenses and Remuneration

The Trustees received £nil remuneration in connection with their duties as trustees during the year (2024 - £nil). Trustee were reimbursed travel and subsistence expenses of £nil during the year (2024 -£nil).

11. Taxation

Nazareth Care Charitable Trust is considered to pass the test set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation and Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. The Charity's trading subsidiaries will pay available profits to the Charity under the Gift Aid scheme, thereby eliminating or reducing their respective corporation tax liabilities.

12. Tangible Fixed Assets

	Leasehold Improvements	Assets under Construction	Furniture & Equipment	Motor vehicles	Charity Total	Leasehold Interest	Group Total
Cost							
At 1 April 2024	5,171,816	2,232,021	4,536,175	230,153	12,170,165	2	12,170,167
Additions	81,279	4,247,927	93,524	0	4,422,730	-	4,422,730
Disposals	(92,695)	-	(2,618,003)	(207,969)	(2,918,667)	-	(2,918,667)
At 31 March 2025	5,160,400	6,479,948	2,011,696	22,184	13,674,228	2	13,674,230
Depreciation							
At 1 April 2024	(3,716,825)	-	(3,862,521)	(227,726)	(7,807,072)	-	(7,807,072)
Depreciation charge	(516,507)	-	(251,936)	(1,178)	(769,621)	-	(769,621)
Disposals	92,695	-	2,618,003	207,969	2,918,667	-	2,918,667
At 31 March 2025	(4,140,637)	-	(1,496,454)	(20,935)	(5,658,026)	-	(5,658,026)
Net book values							
At 31 March 2025	1,019,763	6,479,948	515,242	1,249	8,016,202	2	8,016,204
At 31 March 2024	1,454,991	2,232,021	673,654	2,427	4,363,093	2	4,363,095

The leasehold interest of £2 comprises two amounts of £1 each. £1 represents the residual investment value of a 999-year lease on a site in Blackburn. The development value of the leasehold interest in the site, held by a subsidiary company on a 125-year under-lease, is included in stocks and work in progress. £1 represents the residual investment value of a leasehold property that a subsidiary company holds on a 125-year lease on a site at Plymouth.

13. Investments

Charity	2025	2024
Shares in subsidiary undertakings at cost	£	£
At 1 April 2024	7	8
At 31 March 2025	7	8

Investments represent 100% of the issued share capital of NRV Development (Blackburn) Limited, NRV Development (Plymouth) Limited, NRV Blackburn Limited, Nazareth Catering Limited, NRV Management (Plymouth) Limited, NRV Development (Glasgow) Limited and NRV Management (Glasgow) Limited. The activities of these companies are summarised in note 1.

14. Stocks and Work in Progress

Included in the Group's cost of stocks and work in progress is the construction cost of £355,000 (2024 - £355,000) in respect to the Blackburn Phase 2A development accounted for within the financial statements of NRV Development (Blackburn) Limited.

15. Debtors

	GROUP		CHARITY	
	2025	2024	2025	2024
	£	£	£	£
Residential and care service fees	1,628,945	2,694,860	1,628,945	2,694,860
Provision for doubtful debts	(1,020,941)	(1,964,197)	(1,000,000)	(1,893,579)
Prepayments and accrued income	239,678	269,440	212,284	255,364
Other debtors	508,095	736,494	143,477	336,161
Amounts due from NRV Blackburn Ltd	-	-	442,125	292,011
Amounts due from NRV Management Plymouth Ltd	-	-	886	16,695
Amounts due from Nazareth Home Care Ltd	-	-	-	15,092
Amounts due from Nazareth Catering Ltd	-	-	8,988	16,560
Amounts due from NRV Management Glasgow	-	-	57,626	74,552
Amounts due from NRV Development Blackburn	-	-	-	21,048
Amounts due from NRV Development Plymouth	-	-	25,289	20,327
Amounts due from CSNCT	25,802	947,449	25,802	634,147
Total	1,381,579	2,684,046	1,545,422	2,483,238

16. Creditors: Amounts Falling Due Within One Year

	GROUP		CHARITY	
	2025	2024	2025	2024
	£	£	£	£
Loans from CSNCT	-	240,106	-	-
Expense creditors	2,124,636	3,205,102	2,108,469	3,091,584
Accruals and deferred income	3,100,009	1,922,592	2,924,291	1,871,939
Other creditors	44,363	4,876	164,094	8,577
Taxes and social security	573,226	391,477	450,914	376,009
Amount due to Nazareth Catering	-	-	-	20,000
	5,842,234	5,764,153	5,647,768	5,368,109

The loan from The Congregation of the Sisters of Nazareth Generalate comprises £240,106 to the Group (2024– £240,106) in respect to NRV Development (Plymouth) Limited.

17. Creditors: Amounts Falling Due After One Year

	GROUP		CHARITY	
	2025	2024	2025	2024
Loans from CSNCT	1,042,660	1,066,660	1,042,660	1,066,660
Loans from CSNG	523,266	523,266	-	-
Total	1,565,926	1,589,926	1,042,660	1,066,660

The Congregation of the Sisters of Nazareth Generalate is a loan of £523,266 (2024 –£523,266) advanced to NRV Development (Blackburn) Limited.

18. Provision for liabilities

	GROUP	
	2025	2024
At 1 April 2024	234,369	236,504
Charged / (utilised) for the period	1,135	(2,135)
At 31 March 2025	235,504	234,369

The provision above relates to the sinking funds of the three retirement villages. These have been set up to cover ad hoc maintenance and other specific costs that are not part of the regular operating expenditure.

19. Restricted funds

The funds of the Group and Charity included the following restricted funds:

	At 1 April 2024 £	Income £	Expenditure £	Transfers £	At 31 March 2025 £
Other donations	—	124,067	(124,067)	—	—
Hammersmith refurbishment grant	—	3,973,594	—	(3,973,594)	—
Other grant income	—	404,000	(4,000)	—	400,000
Total	—	4,501,661	(128,067)	(3,973,594)	400,000

Transfers from the restricted fund relates to assets purchased in line with the donor restriction.

	At 1 April 2023 £	Income £	Expenditure £	Transfers £	At 31 March 2024 £
Other donations	—	62,801	(62,801)	—	—
Hammersmith refurbishment grant	—	1,840,734	—	(1,840,734)	—
Other income	—	3,000	—	(3,000)	—
Total	—	1,906,535	(62,801)	(1,843,734)	—

20. Unrestricted Funds

	At April 1 2024	Movement in year	At 31 March 2025
Group			
Tangible Fixed Asset Fund	4,363,095	3,653,109	8,016,204
General Funds	(2,971,798)	(287,393)	(3,259,191)
Total	1,391,297	3,365,716	4,757,013
Charity			
Tangible Fixed Asset Fund	4,363,093	3,653,109	8,016,202
General Funds	(2,816,528)	(292,004)	(3,108,532)
Total	1,546,565	3,361,105	4,907,670

	At April 1 2023	Movement in year	At 31 March 2024
Group			
Tangible Fixed Asset Fund	2,947,948	1,415,147	4,363,095
General Funds	(1,786,290)	(1,185,508)	(2,971,798)
Total	1,161,658	229,639	1,391,297
Charity			
Tangible Fixed Asset Fund	2,947,946	1,415,147	4,363,093
General Funds	(1,717,972)	(1,098,556)	(2,816,528)
Total	1,229,974	316,591	1,546,565

The tangible fixed assets fund represents the net book value of the Group's and Charity's tangible fixed assets. These assets are essential to the continued mission of the Group and Charity and include improvements to care homes and the furniture and equipment used in those care establishments.

21. Analysis of Net Assets Between Funds

	General funds £	Tangible fixed assets fund £	Restricted funds £	Total £
Group				
Fund balances at 31 March 2025 are represented by:				
Tangible fixed assets	—	8,016,204	—	8,016,204
Net current (liabilities)/assets	(1,457,761)	—	400,000	(1,057,761)
Creditors: amounts falling due after one year	(1,565,926)	—	—	(1,565,926)
Provision for liabilities	(235,504)	—	—	(235,504)
Total net assets	(3,259,191)	8,016,204	400,000	5,157,013
Group				
	General funds £	Tangible Fixed Assets Fund £	Restricted funds £	Total £
Fund balances at 31 March 2024 are represented by:				
Tangible fixed assets	—	4,363,095	—	4,363,095
Net current (liabilities)/assets	(1,147,503)	—	—	(1,147,503)
Creditors: amounts falling due after one year	(1,589,926)	—	—	(1,589,926)
Provision for liabilities	(234,369)	—	—	(234,369)
Total net assets	(2,971,798)	4,363,095	—	1,391,297
Charity				
	General funds £	Tangible fixed assets fund £	Restricted Funds £	Total £
Fund balances at 31 March 2025 are represented by:				
Tangible fixed assets	—	8,016,202	—	8,016,202
Investments	7	—	—	7
Net current liabilities	(2,065,879)	—	400,000	(1,665,879)
Creditors: amounts falling due after one year	(1,042,660)	—	—	(1,042,660)
Total net assets	(3,108,532)	8,016,202	400,000	5,307,670

Nazareth Care Charitable Trust				
	General funds	Tangible fixed assets fund	Restricted funds	Total
	£	£	£	£
Charity				
Fund balances at 31 March 2024 are represented by:				
Tangible fixed assets	—	4,363,093	—	4,363,093
Investments	8	—	—	8
Net current liabilities	(1,749,876)	—	—	(1,749,876)
Creditors: amounts falling due after one year	(1,066,660)	—	—	(1,066,660)
Total net assets	(2,816,528)	4,363,093	—	1,546,565

22. Capital Commitments

At 31 March 2025 the Group and Charity had capital commitments of £442,700 (2024 – £2,375,000). A grant from The Congregation of the Sisters of Nazareth Generalate supports this commitment.

23. Related Parties and Connected Entities

The Charity is connected to The Congregation of the Sisters of Nazareth (the Congregation), an unincorporated international religious congregation founded by Victoire Larmenier and recognised by the Vatican. The Superior General of the Congregation appoints the trustees of the Charity.

The Charity is also connected to two other registered charities:

Name	Registration numbers etc.	Principal activities
The Congregation of the Sisters of Nazareth Generalate (CSNG)	A registered charity (Charity Registration No 1138876(England and Wales))	The support of the Congregation and its work throughout the world.
The Congregation of the Sisters of Nazareth Charitable Trust (CSNCT)	A registered charity (Charity Registration Nos 228906 (England and Wales) and SC040507 (Scotland))	The support of the religious and other works (or ministries) carried on by members of the Congregation (the Sisters) in the U.K. and the care of those Sisters throughout their lives with the Congregation in the U.K. Ownership of 13 establishments in England, Wales, Scotland and Northern Ireland known as Nazareth Houses within which nursing, residential and care services are provided to older people in need.

In the case of both CSNCT and CSNG the Superior General of the Congregation also appoints the Trustees. Throughout the year, three Charity Trustees were also Trustees of CSNCT; however, none are Trustees of CSNG. At no point during the accounting period did any of the three charities control any of the others. Therefore, accounts consolidating the three charities are not prepared.

During the financial year, there have been transactions between the Charity and/or NRV Development (Blackburn) Limited, NRV Development (Plymouth) Limited, NRV Blackburn Limited, NRV Management (Plymouth) Limited, and CSNCT, details of which are given in the paragraphs below.

CSNCT and Nazareth Care Charitable Trust

At 31 March 2025, the Group and Charity was owed £25,802 (2024 - £947,449) from The Congregation of the Sisters of Nazareth Charitable Trust being £25,802 (2024 - £634,146) for redevelopment work carried out at Nazareth House Cheltenham, and £nil (2024 - £313,303) in respect of the contribution for the convent owed to NRV Development (Plymouth) Limited,

During the year, the Charity incurred £352,121 (2024 - £374,661) of management stipend expenditure which

was paid to the Congregation of the Sisters of Nazareth Charitable Trust. NCCT also incurred expenditure for the rental of care homes and nursery of £1,456,173 (2024 - £1,272,584).

At 31 March 2025, the Group and Charity owed £1,042,660 (2024 - £1,066,660) to The Congregation of the Sisters of Nazareth Charitable Trust. £1 million of the balance sheet relates to a loan agreed in 2022. There is no set term for the loan, and no interest is charged.

CSNG and Nazareth Care Charitable Trust

During the year, CSNG granted £3.9 million (2024 - £2.25 million) to the Charity (see other income) for the redevelopment of the Hammersmith care home

CSNG and NRV Development (Blackburn) Limited

On 7 March 2012, The Congregation of the Sisters of Nazareth Generalate granted a loan facility to NRV Development (Blackburn) Limited for an unsecured loan of up to £4.2 million to be used to finance the construction of apartments and bungalows at the Larmenier Retirement Village, Preston New Road, Blackburn. The loan is repayable by the anniversary of the agreement, together with accumulated interest, interest accruing at 5%. Repayments of £nil (2024 - £nil) were made to CSNG during the financial year. At 31 March 2025, the company owed £523,266 (2024 - £523,266) to CSNG, of which £nil (2024 - £nil) was due within one year.

CSNG and NRV Development (Plymouth) Limited

On 19 December 2012, The Congregation of the Sisters of Nazareth Generalate granted a loan facility to NRV Development (Plymouth) Limited for an unsecured loan of up to £7.9 million to be used to finance the construction of apartments at Nazareth House, Durnford Street, Plymouth. The loan is repayable by the anniversary of the agreement together with accumulated interest, interest accruing at the rate of the Base Rate plus 4% per annum. In the year, the loan was written off against an equal and opposite debt owing to NRV (Development (Plymouth)). Repayments of £nil (2024 - £nil) were made to CSNG during the financial year. At 31 March 2025, the company owed £nil (2024 - £240,106) to CSNG.

CSNCT and NRV Development (Blackburn) – Retirement Villages

Under the terms on which NRV Development (Blackburn) Limited sells certain apartments within the retirement village, should the purchaser for any reason wish to vacate the property at any time and not sell it on the open market, NRV Development (Blackburn) Limited undertakes to buy back the unit. It is calculated that the maximum liability to NRV Development (Blackburn) Limited if several leaseholders simultaneously exercise the buyback option would be £213,750. Should NRV Development (Blackburn) Limited not have sufficient funds to meet this liability, CSNCT has agreed to meet any shortfall.

24. Liability of the Members

The Charity is constituted as a company limited by guarantee. In the event of the Charity being wound up each of the members would be required to contribute an amount not exceeding £1.

25. Ultimate Control

The Charity is controlled by the Congregation of the Sisters of Nazareth, an international Roman Catholic religious Congregation, as the Superior General of the Congregation appoints the trustees.

26. Custodian Funds

At 31 March 2025 the Group and Charity held £69,093 (2024 - £111,181) being deposits held on behalf of residents in the Charity's care homes. These amounts are not included in these financial statements as the Group and Charity have no control over the monies. The funds are held in a bank account separate from the

cash at bank of the Group and Charity.

27. Post Balance Sheet Event

After the year-end, on May 29, 2025, the Directors of Nazareth Catering Limited resolved to dissolve the company and transfer the remaining assets to NRV Blackburn Limited.