

THE SALVATION ARMY

England & Wales · Charity number 214779

Details

Status Registered

Legal form Trust

Registered 1963-02-15

Register [View on the Charity Commission register](#)

Contact

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Website www.salvationarmy.org.uk

Activities

Objects: THE ADVANCEMENT OF THE CHRISTIAN RELIGION, AS PROFESSED, BELIEVED AND TAUGHT BY THE ARMY AND, PURSUANT THERETO,- THE ADVANCEMENT OF EDUCATION- THE RELIEF OF POVERTY; AND- OTHER CHARITABLE OBJECTS BENEFICIAL TO SOCIETY OR THE COMMUNITY OF MANKIND AS A WHOLE

Activities: A Christian Movement committed to putting belief into action: taking a holistic approach, engaging with physical, emotional and spiritual needs, offering services without discrimination. In addition to Christian Worship, in buildings and the open air, services include drop in centres, lunch clubs, parent and toddler groups, debt advice, youth clubs, after school clubs & emergency food parcels.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Religious Activities, Economic/community Development/employment, Other Charitable Purposes
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Guernsey
- Isle Of Man
- Jersey
- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£338,297,000	£331,868,000	£912,873,000	1610
2024-03-31	£327,318,000	£308,883,000	£900,785,000	1515
2023-03-31	£280,413,000	£269,808,000	£785,804,000	1482
2022-03-31	£281,954,000	£226,745,000	£775,676,000	1189
2021-03-31	£238,013,000	£199,223,000	£706,481,000	2854

Trustees

Name	Role	Appointed
THE SALVATION ARMY TRUSTEE COMPANY		1980-08-01

Linked charities

- S E ANDERSON BEQUEST (214779-1)
- STAR HALL TRUST (214779-10)
- E S BRANT (HULL AND LINCS) TRUST (214779-11)
- L HINCHLIFFE TRUST (214779-12)
- P AND E BRAND BEQUEST (214779-13)
- EDWARD AND LILLIAN EMILY BUDGEON BEQUEST (214779-14)
- GEORGE BURRILL BEQUEST (214779-15)
- G O BUTCHER BEQUEST (214779-16)
- A E COLLISTER BEQUEST (214779-17)
- MRS J M CAMPBELL (214779-18)
- J CARNEGIE BEQUEST (214779-19)
- W J BAILEY BEQUEST (214779-2)
- MRS A CRUIKSHANK BEQUEST (214779-20)
- CARNABY AND CHARLTON BEQUEST (214779-21)
- SIDNEY EDWIN CHALK BEQUEST (214779-22)
- MRS CATHERINE CHAPMAN BEQUEST (214779-23)
- J COBB BEQUEST (214779-24)
- HORACE THEODORE COUCH BEQUEST (214779-25)
- MISS K M CORDEUX BEQUEST (214779-26)
- MRS CLARA CORNER BEQUEST (214779-27)
- CHARLES JAMES DANIELL BEQUEST (214779-28)
- MAJOR ELIZABETH DANLEY BEQUEST (214779-29)
- A E HUNTER AND M C MOORHEAD BEQUEST (214779-3)
- SAMUEL WILLIAM DAY BEQUEST (214779-30)
- MRS CLARA CORNER BEQUEST (214779-31)
- J E DOWLAN BEQUEST (214779-32)
- GEORGE DALE BEQUEST (214779-33)
- THE GEORGE AND FLORENCE DEVEREUX TRUST FUND (214779-34)
- JOHN SEFTON DYSON BEQUEST (214779-35)
- DANIEL EVANS BEQUEST (214779-36)
- MARGARET FRANCIS OR PARR BEQUEST (214779-37)
- J A FARROW BEQUEST (214779-38)
- P J GALLOWAY BEQUEST (214779-39)
- DR ADAM MATHERS BEQUEST (214779-4)

- J K GORDON BEQUEST (214779-40)
- WILLIAM HAMILTON BEQUEST (214779-41)
- MRS W E PAIRMAN BEQUEST (214779-42)
- THE GENERAL OF THE SALVATION ARMY FUND (214779-43)
- B GLOVER BEQUEST (214779-44)
- WILLIAM HARTLEY BEQUEST (214779-45)
- MISS EMMA GERTRUDE HARVEY BEQUEST (214779-46)
- MISS E M HEAWARD BEQUEST (214779-47)
- S HERN BEQUEST (214779-48)
- EDWARD JEFFREY BEQUEST (214779-49)
- THE SELF-DENIAL FUND (214779-5)
- MRS L W JONES BEQUEST (214779-50)
- WILLIAM JONES BEQUEST (214779-51)
- THE MARY HIGGS CHARITY (214779-52)
- RANDOLPH MEAKINS TRUST (214779-53)
- DR HELEN LAMBERTY MEMORIAL FUND (214779-54)
- MISS MILDRED LEACH BEQUEST (214779-55)
- DAVID A LOUIS BEQUEST (214779-56)
- J D MARSDEN BEQUEST (214779-57)
- JOHN MASTERTON BEQUEST (214779-58)
- THE LEEDS GUARDIAN HOME (214779-59)
- THE MAINTENANCE FUND (214779-6)
- SAMUEL AND SARAH MEGARITY BEQUEST (214779-60)
- ALFRED MERCHANT BEQUEST (214779-61)
- ALFRED NEWTON BEQUEST (214779-62)
- JOHN NEWBERRY BEQUEST (214779-63)
- A POLLARD BEQUEST (214779-64)
- THE JAMES PORTER SALVATION ARMY CHARITY (214779-65)
- MISS MARY ANN ROLLINSON BEQUEST (214779-66)
- M R RUSSELL BEQUEST (214779-67)
- LADY SEAFORTH BEQUEST (214779-68)
- E M SIFLEET BEQUEST (214779-69)
- W G BARRATT BEQUEST (214779-7)
- ANNIE RONALD BEQUEST (214779-70)
- NURSE A SCOTT BEQUEST (214779-71)

- COMMANDANT JOHN SLATER BEQUEST (214779-72)
- ADAM C SMITH BEQUEST (214779-73)
- THE FRANK STEPEHN FUND (214779-74)
- JOSEPH STONE TRUST (214779-75)
- W J M DICKS BEQUEST (214779-76)
- MISS J SMITH BEQUEST (214779-77)
- DAVID STEPHEN BEQUEST (214779-78)
- J SUTHERLAND BEQUEST (214779-79)
- SAMUEL BERRESFORD BEQUEST (214779-8)
- J I WATSON BEQUEST (214779-80)
- MRS LAURA E STUART (214779-81)
- MRS L A SUFFIELD BEQUEST (214779-82)
- BENJAMIN G TOMPKINS BEQUEST (214779-83)
- MISS F WADDICOR BEQUEST (214779-84)
- DR JOSEPH WARD BEQUEST (214779-85)
- WILLIAM WARD BEQUEST (214779-86)
- ALFRED ORCHARD WEEKS BEQUEST (214779-87)
- THOMAS WHEWELL BEQUEST (214779-88)
- W H WILKIN BEQUEST (214779-89)
- JOSEPH RIDLEY FOR CORPS OF THE SALVATION ARMY (214779-9)
- MISS ROSINA WILLEY BEQUEST (214779-90)
- MAJOR CHARLES WILLIAMS BEQUEST (214779-91)
- J G WOODWARD BEQUEST (214779-92)
- CHARITY OF SARAH CHARLOTTE WHITELL (214779-93)
- WILLIAM BOOTH MEMORIAL TRUST (214779-94)

THE SALVATION ARMY

England & Wales - Charity number 214779

Accounts

**THE SALVATION ARMY
UNITED KINGDOM AND IRELAND TERRITORY**

**THE SALVATION ARMY TRUST
REPORT AND FINANCIAL STATEMENTS
FOR THE UNITED KINGDOM IN THE YEAR ENDED
31 MARCH 2025**

**CHARITY REGISTRATION NO: 214779
SCOTTISH CHARITY REGISTRATION NO: SC009359**

Principal Office
Territorial Headquarters, 1 Champion Park, London, SE5 8FJ
www.salvationarmy.org.uk

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INTRODUCTION FROM THE TERRITORIAL LEADERS

Commissioner Paul Main and Commissioner Jenine Main

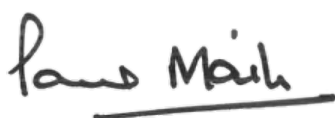
As Territorial Leaders of The Salvation Army in the United Kingdom and Ireland, it is with immense gratitude that we introduce this Annual Report and Accounts for the Salvation Army Trust for 2024/25. Over the year we had the wonderful and humbling privilege of journeying right across the territory and witnessing first-hand the grace of God in action in communities throughout the United Kingdom, Ireland, the Channel Islands and the Isle of Man. Our hope and our prayer is that as you read this report you will experience the same sense we have had of a transformational movement making a real difference at the heart of so many of our communities.

Since we took up leadership of the Territory, we have been drawn to the early chapters in the Old Testament book of Joshua. There, we find an emphasis on the importance of courage, strategic planning, personal responsibility and commitment. These qualities we have discovered in abundance amongst our officers, employees, members and partners who every day selflessly minister, serve and lead in their communities. We have been greatly moved by some of the stories they have told us, many of which are narrated for you in this report. These are stories of hope and transformation, of people supported to overcome personal challenges and difficult circumstances often not of their own making. We guarantee that as you read them you will find plenty of inspiration drawn directly from the lives of ordinary people in ordinary neighbourhoods right across the land.

We have also become aware of the increasing social challenges evident in many of our towns and cities. As the cost of living has soared, so have the number of people presenting themselves to us in need of assistance. Whilst this has put great strain not just upon our local churches which are the focus of this Report and Accounts, we have been delighted to see the creativity and resourcefulness of our personnel, seeking new ways to serve without discrimination. New partnerships have been forged to face the rising tide of increased poverty, and together with a deeper integration of our varied services, we have, with God's help, been able to rise to the challenge. We are also incredibly grateful for the many people who have shown extraordinary generosity towards our work, financially supporting us despite challenging economic times. We pride ourselves in ensuring that every donation, big or small, is put to good use and offer here a sincere and heartfelt 'thank you' - we could not do what we do without your support.

As we reflect on the last year, we looked back and gave thanks to God for his faithfulness, and for walking with us every step of the way. This has given us a sustaining hope for the future. May you have your own glimpse of this hope as you read on.

Thank you for your help and support, and may God bless you.

A handwritten signature in dark ink, reading "Paul Main". The signature is written in a cursive style with a horizontal line underneath the name.

Commissioner Paul Main
Territorial Commander of The Salvation Army in the United Kingdom and Ireland

OBJECTS OF THE SALVATION ARMY TRUST

The objects of The Salvation Army Trust are *the advancement of the Christian religion as professed, believed and taught by the army and pursuant thereto the advancement of education, the relief of poverty and other charitable objects beneficial to society or the community of mankind as a whole.*

The following groups benefit from the work of The Salvation Army Trust:

- people who worship or participate in other activities at Salvation Army corps (churches) and community centres.
- vulnerable and disadvantaged members of society, including people experiencing homelessness, older and/or lonely people, children, young people and families, people dealing with issues such as substance abuse and other illnesses.
- the wider community of society as a whole.

The Salvation Army takes a holistic approach, engaging with people's physical, emotional and spiritual needs, offering its services without discrimination.

OUR VISION, MISSION AND VALUES

Our Vision, Our Values and our five Mission Priorities inspire and guide all the work we do as a church and as a charity.

Whilst The Salvation Army operates through two main charitable trust registrations, (see below, page 7) we have one unifying vision statement and mission priorities and values that guide us in all we do.

Our Vision, Mission and Values statements powerfully communicate our sense of purpose and direction for The Salvation Army in the United Kingdom, Ireland, the Channel Islands and the Isle of Man. The aim is that every expression of The Salvation Army, our corps (churches) and community centres and residential centres all seek to deliver the same five mission priorities to strive to deliver the one overall Vision Statement. Their simplicity and boldness mean that all areas of the diverse work of The Salvation Army can be both anchored and inspired by them.

Our Vision Statement:

Our Vision:
Fullness of life
for *all* with Jesus

This is 'Our Vision' for every part of The Salvation Army. It is inspired by the words of Jesus: ***'I have come that they may have life, and have it to the full'*** (John 10:10 NIV).

No words can adequately capture the vision of boundless salvation that God intends for the world and everything in it. However, 'Fullness of life for all with Jesus' includes every aspect of Salvation Army life. We believe everyone can enjoy fullness of life with Jesus. It is aspirational - we are not there yet - but this is what we strive towards.

Our Five Mission Priorities:

Our Mission:

To *share* the good news

To *serve* others without discrimination

To *nurture* disciples of Jesus

To *care* for creation

To *seek* justice and reconciliation

Our Mission is built on five priorities which are the drivers for all we do, how we do it and why we do it, across the entire organisation.

These short phrases communicate immense challenge, ambition and direction. When these priorities are all present in what we do, The Salvation Army is working towards our vision of 'Fullness of life for all with Jesus'.

Each of the five Mission Priorities is rich in meaning and helps us explain to 21st-century society why the Christian message and the work of The Salvation Army is relevant and desperately needed in our communities and nations.

They are not arranged hierarchically but overlap and mutually support each other.

- **SHARE THE GOOD NEWS:** At the heart of The Salvation Army's mission is a passion to proclaim the good news of Jesus Christ far and wide. This is not an optional extra. The Salvation Army only does what it does because our inspiration and vision come from people's ongoing relationship with Jesus. We know the difference our relationship with God makes in our lives and we don't want anyone to miss out.
- **SERVE OTHERS WITHOUT DISCRIMINATION:** The Salvation Army responds to people without discrimination. God calls us to be with the people we serve. In 'being with' people - as against 'doing for' people - together we find solutions and make progress because we are all made in the image of God. We are called to share love in a too often loveless world. 'Love God, Love Others' inspires every aspect of our work.
- **NURTURE DISCIPLES OF JESUS:** The future of The Salvation Army depends on nurturing current and future generations of Christian disciples who, filled with the Holy Spirit, share the good news of Jesus, resulting in more disciples. Like athletes, Christian disciples need to practise staying fit for God's demanding mission. Habits such as prayer, Bible reading, corporate worship, music, tithing and helping others are vital. The Salvation Army believes being a disciple of Jesus and experiencing the blessing of holiness is the way to experience fullness of life.
- **CARE FOR CREATION:** The Salvation Army is committed to helping change attitudes, resulting in a more responsible use of our planet. We seek to provide practical care and advocacy for people affected by damage to the environment. People will not experience fullness of life unless God's creation is protected and cared for.
- **SEEK JUSTICE AND RECONCILIATION:** People can experience a fuller life on Earth. God longs for justice for all people. Therefore, The Salvation Army has always spoken out

against injustice. We fight not simply the effects of injustice but also the systems and structures that enable injustice. Seeking reconciliation is also an essential part of The Salvation Army's vision of the good life. Peace and fullness of life is possible when justice and reconciliation are priorities in the lives of individuals, communities and nations. The Salvation Army is committed to work in partnership for these ends.

Our Values

- Boldness
- Compassion
- Passion
- Respect
- Integrity
- Mutual accountability

Our Values are for everyone involved in The Salvation Army and should be reflected in our behaviour and result in good relationships and increased wellbeing and help us integrate what we do with how we do it.

The basic standard of Christian behaviour, derived from our understanding of the character and action of God, is love, so we need continually to be drawn back to understand how God is asking us to live and work together to help us be faithful to our calling to be God's people.

- **Boldness:** We will courageously and confidently share the good news, seek justice and reconciliation, nurture disciples of Jesus, serve others without discrimination, and care for creation.
- **Compassion:** We will serve with the unconditional love and grace of God as the pattern for our behaviour.
- **Passion:** We will bring our best selves, our God-given energies and convictions, to our work, service and learning, whether as officers, members, employees or volunteers.
- **Respect:** We will receive each person with the dignity of those created in the image of God, while seeking the transformation God provides.
- **Integrity:** We will be honest and transparent in all our dealings with each other and those we serve, being open about our motives and agendas.
- **Mutual accountability:** We will willingly and freely give full account for our actions to those we interact with and expect the same in return.

Our Statement of Commitment:

We have one simple statement to explain why we are here, which frames all we are and all we do as a church and charity. Four words achieve this:

'Love God, Love Others'

This is based on Jesus' greatest commandment in Matthew 22:37-39 to 'Love the Lord your God' and to 'love your neighbour as yourself'. 'Love God, Love Others' underpins, inspires and motivates everything we do, in every part of The Salvation Army. It is a powerfully simple 'explainer' of what we are here to do and how we strive to deliver our vision.

EXPLAINING OUR STRATEGY, STRUCTURE AND OPERATION

The Salvation Army is a broad and diverse organisation. As a Christian denomination it puts its faith into action in so many different ways across the UK, and this section seeks to explain how our foundation as a church is the essential basis of how we work and what we do.

The UK Salvation Army is combined with the Republic of Ireland to form a 'territory', comprising one of 59 territories across the world where The Salvation Army works. The Salvation Army in the Republic of Ireland is a separate company and therefore has its own report and accounts. This Report & Accounts is for the UK registered Salvation Army Trust. (More below).

Our two principal charitable registrations:

The Salvation Army operates through two principal charitable trusts: The Salvation Army Trust and The Salvation Army Social Work Trust.

This Report and Accounts outlines the work of **The Salvation Army Trust (Charity Registration number 214779)**, which is the charity registration through which we manage our programmes of engagement and support which are delivered through our 589 local corps (churches) and our community centres. Much of the funding for the work of The Salvation Army Trust derives from public donations, legacies, trading activities and church members. The consolidated accounts also include The Salvation Army General Insurance Corporation Limited (SAGIC) and Salvation Army Trading Company Limited (SATCoL) which are subsidiaries of The Salvation Army Trust.

However, the work of The Salvation Army Trust does not represent the entirety of The Salvation Army's work in the UK.

Alongside the locally driven, locally responsive corps (church)-based operations which are reported here in this Report and Accounts, The Salvation Army also operates centrally co-ordinated and centrally managed 'social services'.

Whilst this is still the 'work' of The Salvation Army, the finances of these operations are managed and reported on through a separate charity registration, **The Salvation Army Social Work Trust (Charity Registration number 215174)** which has its own Report and Accounts and form a 'sister' publication to this one.

The Salvation Army Social Work Trust accounts for residential programmes for homeless people, care homes for older people, residential detox centres, family centres, refuges for victims of domestic violence, safe houses and services for the victims and survivors of modern slavery and human trafficking, and our Employment Plus services. These services are managed in a top-down model due to the vulnerability of the people needing help and because of statutory regulations and contract requirements. Much of the funding for The Salvation Army Social Work Trust derives from government and local authority contracts and additional supplementary funding comes from The Salvation Army Trust.

Summary of the purpose of The Salvation Army Trust

The Salvation Army Trust is the charity registration through which our corps (church)-based community programmes and our congregational life are managed and accounted for. Because each community is different, our community work and expression will be different in each location. This is illustrated later on.

Inspired by our vision and mission statements:

- We offer and are energised by Christian worship, teach Christian principles and encourage Christians to live out their faith in every aspect of life. We promote the Christian good news through various media including literature, music, digital media and personal evangelism.
- We provide community programmes through corps (local churches) and in communities that are relevant to local needs, to assist people of all ages to enhance their quality of life, self-respect, personal development and relationships with others. We work alongside local communities to ensure that we are partnering with them and other agencies to meet local need. We do that through formal and informal activities.
- We seek to influence policymakers, providing information on social issues affecting people on the margins of society. We seek to amplify these voices and help society be fairer, more caring and just.
- We train and equip current and future Salvation Army officers, staff and volunteers.
- We financially support **The Salvation Army Social Work Trust** in the full range of services it provides.
- We support the international mission work of The Salvation Army, including development work and providing relief to those affected by disasters overseas.
- We review and adjust our strategies and programmes to respond to changing needs.
- We strive to achieve our vision of ‘fullness of life for all with Jesus’ in everything we do through five Mission Priorities: share the good news; serve others without discrimination; nurture disciples of Jesus; care for creation; seek justice and reconciliation. Operationally we are prioritising transformation, integration and streamlining to increase our effectiveness and impact.

The scale of the work of The Salvation Army Trust

The Salvation Army Trust works principally through 589 corps (churches) and community centres in the United Kingdom with two corps in the Republic of Ireland which come under separate accounting.

England: 481 corps (includes Isle of Man and Channel Islands)

Wales: 33 corps

Scotland: 60 corps

Northern Ireland: 15 corps

A list of centres managed through The Salvation Army Social Work Trust is in the Report and Accounts for that trust.

The work and delivery of The Salvation Army Trust

To ‘make sense’ of The Salvation Army, it is important to remember that The Salvation Army is first and foremost a church, but a church that delivers a colossal and diverse range of charitable services. Everything The Salvation Army does should positively contribute to making the world a better place - as God intends it to be.

As a church, we have a network across the UK of 589 local corps (churches) and community centres. These are generally run by corps officers, who are trained and commissioned

(ordained) Salvation Army ministers of religion. Each corps officer is accountable to his or her community but is operationally accountable to one of a team of 14 divisional commanders (leaders) who in turn report to the territorial headquarters based in London.

This strong community presence is the way in which we ensure we respond to local needs in local ways. What we do is generally decided on, agreed upon and delivered locally. The costs and delivery of this network of corps, and the infrastructure and the centralised operations that support it, are the subject of this Annual Report and Accounts for The Salvation Army Trust.

The Salvation Army is a church and charity that doesn't just help people by providing immediate, practical support to overcome issues such as addiction, homelessness, social isolation or poverty; it also strives to address the reasons behind the suffering, with a view to effecting sustainable change in individuals and society at large. This is driven by living out our value of seeking justice and reconciliation.

Therefore, what sets The Salvation Army apart from other organisations is the combined strength of our centrally co-ordinated social work services and the local responsiveness of our corps (churches) and community centres which are all playing their part to bring lasting change at a local and national level.

Every officer, member of staff and volunteer brings their own unique insight into the lives of the service users and communities they serve, to inform the work that we do and help us prioritise which reforms we will campaign for alongside marginalised and vulnerable.

Explaining our distinctive organisational approach to strategy

Our vision statement is '*Fullness of life for all with Jesus*'. This is a scripturally inspired goal which forms the heart of our delivery. The Salvation Army is a diverse, responsive, agile Christian church and charity. Because we live and work in the communities we serve, we fully recognise that each community is different and consequently the needs of each community are different.

Our approach is to encourage effective and flexible activities focused on helping people experience life in all its fullness across all the communities in the UK where we have a local presence.

The UK Salvation Army deliberately does not have a prescriptive approach to directing its delivery at corps or centres or a directive top-down strategy. Instead, we prioritise local responses to local needs as the way we choose to work.

This report highlights how this approach enables us to respond powerfully, quickly and in an agile and flexible - and, above all, locally relevant - way to emerging needs and changes in society and the economy, for example, the cost of living crisis that we still felt in the year under review.

Integrated locally

Together, the two Annual Reports and Accounts provide a comprehensive account of the work of The Salvation Army in the United Kingdom. At a local level, The Salvation Army across both trusts is encouraged to work together to bring lasting change at local as well as national level - we call this '*integrated mission*'.

Integrated internationally

In a wider context, The Salvation Army works in more than 130 countries, on every continent, often in the forgotten corners of society. Our breadth of experience and

international structure enables lessons learnt in one place to benefit people with similar challenges thousands of miles away. The rapid expansion of our work with victims and survivors of modern slavery and human trafficking is a good example of this strategic advantage.

Resourcing, support and oversight

The local diversity of The Salvation Army's operations is facilitated through centrally co-ordinated support services - such as HR, Finance, Property, IT, PR and Fundraising, with some of these support functions also located in our divisional (regional) headquarters. This approach enables us to be efficient and effective in the use of resources.

In addition, there are staff whose role is to learn lessons from local programmes and pilot schemes and to share resources and successful outcomes from innovation and experience with other Salvation Army operations to help us achieve our mission across The Salvation Army as effectively as possible and ensure continual improvement. This approach helps to drive up the quality of our services to people who are often poor, marginalised and vulnerable.

Belief in action

Part of the purpose of the Annual Report is to illustrate how The Salvation Army has been seeking to achieve our vision by delivering services aligned to our charitable objectives. The work of The Salvation Army Trust takes place in different ways from nearly 600 locations. Therefore, the following section provides many examples of how we have been working, operating, achieving and delivering as a church and as a charity across the UK during 2024-2025.

ILLUSTRATING THE WORK AND ACHIEVEMENTS OF THE SALVATION ARMY TRUST 2024/2025

**What good is it, my brothers and sisters, if someone claims
to have faith but has no deeds? Can such faith save them?
(James 2:14 NIV)**

THE CONTEXT OF OUR WORK

This section of our report illustrates aspects of our life and work during 2024/2025. You will read about the well-established and familiar programmes our 589 Salvation Army corps (church and community centres) continue to run in their communities, to meet our Mission Priorities and strive to achieve our Vision. Because each community is different, how we serve them also differs and these examples illustrate our diverse delivery and the many opportunities we have met in different ways in different settings.

As the cost of living continued to impact on people's daily lives, and many more families fell into poverty, our corps adapted and responded, to think 'outside the box'. We share the innovative ways they answered the growing needs of the most vulnerable people, who feel increasingly marginalised by society.

Throughout our work, we sought to bring not only practical help and compassionate support, but also to share the love of God with people who may have never set foot inside a church.

It reflects the way we think and act as a church and as a charity. In Victorian society, our Founders, William, and Catherine Booth, had a drive to 'do church differently'. Rather than preach God's word from the pulpit, they put their faith into action.

This year, our network of corps and social service centres funded through the Salvation Army Social Work Trust, continued this simple commitment to put our faith into action by reaching out to people in need.

Our sister report, the Report & Accounts for the Salvation Army Social Work Trust illustrates the work we deliver - often in our residential programmes - through our contracted services.

OUR CHURCH LIFE

About us - our values in action

Our international setting - People. Mission. Legacy.

Source for international numbers; <https://www.salvationarmy.org/global-presence>

The Salvation Army serves in 134 countries, with 14,495 worshipping communities and 1,260,832 Salvation Army soldiers. We share a mission to preach the gospel of Jesus Christ and to meet human needs in his name without discrimination.

During the year, General Lyndon Buckingham, world leader of The Salvation Army launched *Compass, a Global Strategic Framework*. The framework gave direction to the mission and ministry of The Salvation Army into the future.

In cooperation with international and territorial leaders, Compass was designed so that every centre, corps and person affiliated with Army ministries around the world can be involved.

"We all want to be part of a growing Army, and we all want to be part of an enduring Army," said General Lyndon Buckingham. "So we have crafted this framework in a way that will allow every level of our movement to be involved in the strategic advancement of our mission. I have coined the phrase "People, Mission, Legacy".

It captures the essence of our framework: caring for our **people**, and ensuring they know our **mission** and how they can play their part; making sure that we are clear about why The Salvation Army exists and what it is that we are doing in the world. Our **legacy** will be making the world a better place than it is today.

Each Salvation Army territory of which the UK and Ireland is one, were invited to look at how the Compass concept might be adopted and brought to life.

| **Read more** - learn about the framework at salvationarmy.org/ihq/strategy.

Membership Working Group - update

The Salvation Army has different forms of church membership and as with other denominations, ensuring we attract and retain members is an important element of church life. The Salvation Army church Membership Working Group (MWG) concluded an 18-month reflection and consultation period about membership. Members from all over our territory had been invited to participate in the Big Conversation, around the theme of Belonging and Believing.

The Salvation Army recognised that this is deep, long-term work that requires careful consideration of differing opinions. Our aim was to create an environment where all members felt valued, supported and empowered to contribute to the community, and supported in their spiritual journeys.

The report was set out in three sections.

1. Why are we doing this? The context and background.
2. What has been said? A summary of what we heard from the territory.
3. So what? Theological reflection on belonging and believing.

There were significant recommendations aimed at enhancing membership and fostering a culture of discipleship within our territory.

As part of this, the report highlighted the need for inclusion, particularly concerning the LGBTQ+ community. In this area, the report drew attention to:

- the value of resources to assist in the pastoral care of LGBTQ+ young people
- The work of the Moral and Social Issues Council on gender identity and same-sex relationships
- *Let's Talk About...* (materials on Human Sexuality) which is rolling out across the territory.

‘The report and recommendations are the result of thousands of people sharing their experiences - there is a lot for territorial leadership to reflect on. Please join us in praying for wisdom over the way forward.’

Territorial Leaders Commissioners Jenine and Paul Main

Find out more: <https://www.salvationist.org.uk/articles/membership-working-group-update>

Focus on inclusion

New strategy launched

In early April 2025, we shared our new Equity, Diversity, Inclusion and Belonging (EDIB) Strategy. It is here to help our employees to feel included, connected and that they belong. It follows years of work and reflection, and is based on outcomes from such initiatives as the Racial Inclusion Working Group.

When launching the strategy, Jennifer Laurent-Smart, Equality and Diversity Manager, said: “EDIB is more than corporate box-ticking”. She drew parallels between our legal requirements as employers, and what God tells us. ‘Legislation says “don’t discriminate”, said Jennifer, but we say “love God, love others”.

Jennifer shared an example of our EDIB strategy in action, through the territory’s position as a Disability Confident Leader. As part of this was our new Disability Forum. It gives employees, officers and territorial envoys (a form of local ministry) who live with disabilities the opportunity to meet and share stories about their struggles and concerns working within The Salvation Army.

In time, this should further shape the policies and culture of The Salvation Army. Reflecting on the forum’s first session in March, Jennifer commented on how it’s easy to address the obvious things - step-free access, large-print Bibles - but the smaller things might be missed. ‘It’s about identifying things we need to do - like training or raising awareness - and celebrating people,’ she concluded.

‘Our values of respect, boldness, compassion, passion, integrity and mutual accountability, shine through in our strategy.’

Jennifer Laurent-Smart, Equality and Diversity Manager

Living well together

Our Moral and Social Issues Council (MASIC) hosted a webinar to consider how to live well together within The Salvation Army while holding a range of views on same-sex relationships.

Lieut-Colonel Nick Coke, chair of MASIC, introduced the webinar titled Living Well Together: Same-Sex Relationships and The Salvation Army. It featured a diverse panel with a range of perspectives and the conversation was informed by more than 50 questions submitted by people in advance.

The talk was structured by using three broad questions: ‘What?’, considering each participant’s views and experiences, ‘So what?’, exploring theological reflections on staying united amid differing views, and ‘Now what?’, asking what practical actions could be taken away from the conversation.

Here we share a flavour of those conversations:

- how people had benefited from talking with people of differing perspectives
- the need for the Church to provide teaching and facilitate conversations in this area,
- the powerful impact of being loved and supported even by people who hold contrasting views
- the importance of being authentic and providing better pastoral support to young people in today’s world.

Conversations also touched upon differing expectations and understandings of holy living, upon church unity and being part of the body of Christ, and on people’s identity being defined by more than just their sexuality.

It also highlighted the importance of not being afraid to have respectful conversations about difficult topics, of creating safe spaces for listening and learning from one another, as well as having guidance to talk theologically through different viewpoints.

This webinar was part of a series of MASIC webinars exploring topics such as refugees, the environment and racism.

Intercultural Mission

As so many towns, cities and suburban areas become far more culturally rich, we need to learn how we can live together and journey together in a way that celebrates diversity and unity.

Intercultural mission is a model of the church that embraces vulnerable people by providing a safe space for them to share their emotions, worries and hopes. During the year, the St Albans Corps (Salvation Army church) regularly welcomed around 20 nationalities. Captain Wan Gi Lee admitted it wasn’t always easy to bring them together.

He found the key to intercultural mission was to welcome them, and strive to listen equally to people's stories, and give them an opportunity to share their stories.

Next he encouraged them to come forward with their own missional initiatives - ideally, incorporating their own cultural flavours. For example, families in the Hong Kong group organised a Lunar New Year Celebration, which was open not only to the church but also to the community and was very well received.

The next step was to invite people into the leadership team, and recently two members from Hong Kong did so. Officer Captain Wan Gi Lee's approach has helped to root people firmly in the supportive family of church life.

Captain Wan's reflections from St Albans, in his own words:

'If we are sad, we cry. If we are really sad, we laugh. If we are really, really sad, we sing,' one Ukrainian friend, who joined our monthly Ukrainian fellowship group, told us.

As we prepared to sing together to wrap up the fellowship meeting, they began singing while standing in a circle, initially smiling and then, as time went on, shedding tears.

There was a deep sense of national spirit in the songs they sang together. Indeed, the songs expressed the many layers of profound sadness they experience, due to bereavement, separation, and exile. However, their songs also served as a collective demonstration of resilience, a commitment to carry on despite whatever may come.'

Reflecting Christ's love

If The Salvation Army were a person, one individual who exemplifies our Christian values is Captain Hilary Borthwick, who leads our work in Kendal, Cumbria. Energetic yet steadfast, Hilary has become a pillar of support both within her congregation and across the town.

In April, we reflected on her ministry which spans church unity, community care and inclusive outreach. Here we illustrate some examples.

Unity

Hilary was instrumental in uniting five Anglican churches and the local United Reformed Church in missional partnership. She also served as secretary of Churches Together in Kendal and District, working behind the scenes to strengthen bonds between denominations, with a servant's heart.

Community care

Hilary conducted council funerals for individuals who had no one else to make arrangements, providing dignified services at the Salvation Army hall free of charge and tailoring each ceremony to honour the family's beliefs.

Inclusive outreach

Hilary extended pastoral care beyond her own congregation to meet people where they are. For example, in a chaplaincy role at Kendal Care Home and Holt House care home in Prestwich, she led weekly worship and visited elderly residents, treating each person with warmth and dignity.

Through all these avenues of ministry, Captain Hilary Borthwick demonstrated true servant leadership. Though we have put her in the spotlight, she would never seek it. Her humble, consistent service has had a profound impact in Kendal.

OUR PEOPLE - OFFICERS, EMPLOYEES AND VOLUNTEERS

Our people make a practical difference every day, helping to deliver national and local services to help the most vulnerable people in society. We have over 4,000 staff and active officers in both Salvation Army Trust and Salvation Army Social Work Trust and thousands more volunteers. To look after others, it is important that we look after our own - with support, training and personal development

This section looks at some highlights from the last year, from welcoming new cadets to inspiring our leaders.

Supportive environment

In February 2025, The Salvation Army was recognised as one of the most highly recommended employers in the UK. Ranking 83 out of the top 500 in the Financial Times UK's Best Employers 2025, we scored higher than Google (92) and Ikea (252).

Human Resources Director for employees Alex O'Hara said: 'As an organisation, we want to continue developing supportive environments for our officers, territorial envoys, employees and volunteers so they can thrive in their roles and make a lasting difference in the communities they support.'

'This recognition acknowledges how far we've come and it's a great opportunity to celebrate and look forward to what comes next as we continue building a culture where our people feel valued and can flourish.'

Welcoming new cadets

On 28 September 2024, we welcomed five new cadets at William Booth College to form the *Keepers of the Covenant* session - the start of a two-year training and formation programme at the end of which they will be commissioned and ordained as Salvation Army officers.

As part of their welcome ceremony, each cadet placed an object that represented their experience of God's covenantal love at the cross by the mercy seat (a dedicated place of prayer). They went on to share honest and insightful testimonies about their journey to accepting God's call to officership and full time ministry upon their life.

The cadets were not the only new residents at William Booth College. Lieut-Colonel Mark Herbert was installed as the new Principal. His message was based on Hebrews 10:11-18, reminding people how strange it all is: giving up a good job, a safe home and support structures to follow Jesus into officership.

Lieut-Colonel Herbert took the time to thank the cadets for their faithfulness. He also thanked the family, friends and corps represented who have been part of their journeys through their influence and example.

The meeting concluded with reflective prayer as those present responded to the message and the Holy Spirit, stepping forward in commitment and rededication.

The cadets are invited to kneel at the mercy seat and sign a copy of the Covenant. The signed Covenant is taken to the territorial leaders, who sign it in witness and pray with the cadet.

Clare Leask, Bognor Regis.

‘The journey to this point has not always gone smoothly, however throughout everything God is and has been my rock.’

Laura de Graff, Netherlands

‘I asked God which church he wanted me to go to. The Salvation Army came to my mind and it was the start of a journey of receiving the call to serve as an officer.’

Susan Wright, Shiremoor

‘I knew it was time to explore officership and I knew that God held me very close throughout the whole process and will continue to hold me.’

Megan Moore, Reading Central

‘I am blessed to see how in every area of my life God has been preparing me to be an officer, even though I didn’t know it at the time!’

Simon Moore, Reading Central

‘I can guarantee that allowing God’s call on your life is an acceptance of transformation.’

Newly-commissioned officers

On 13 and 14 July 2024, family, friends, invited guests and prayerful supporters gathered for the ordination and commissioning of the second year cadets, the *Defenders of Justice* session, at the end of their training, as part of our annual event ‘Together 2024’.

Each cadet was welcomed to the platform with individual Bible verses spoken over them by members of their families. As part of the ceremony, the Defenders of Justice shared their dedication song before reciting the doctrines of The Salvation Army as a declaration of the beliefs on which they were making their commitments

They were charged to keep to their commitments by Chief Secretary Colonel Peter Forrest. The ordination and commissioning was conducted by Territorial Leader Commissioner Jenine Main, who shared individual encouragement with each cadet as she carried out her duty.

Watch - highlights of Together 2024 and meet the new officers

<https://www.youtube.com/watch?v=wich9cUdgNo>

Marking 150 years in Wales

Last year’s Together 24 was memorable in more ways because it was the first to take place outside of England. To mark the 150th anniversary of The Salvation Army in Wales, officers and Salvation Army church members from across the UK and Ireland gathered in Newport.

Earlier in the year, in March, the 150th anniversary celebrations had kicked off at the Royal Welsh Showground in Builth Wells - here are some highlights from the 150th celebrations.

- The earliest existing issue of *Y Gad Lef*, the Welsh-language *War Cry*, was among items gifted to the National Library of Wales by Territorial Leaders Commissioners Jenine and Paul Main at an international reception at the Senedd in Cardiff.
- A letter was unearthed from Bramwell Booth to his father and our Founder, William Booth highlighting the gift from John Cory - of the famous Cardiff shipping family - of a 'three masted steam yacht' to William Booth, which led to the formation of the Salvation Navy in 1885.
- The Songs of Praise team filmed at Merthyr Tydfil, the longest-serving Salvation Army corps (church) in Wales. Presenter Pam Rhodes discovered how two young women, Kate Watts and Harriet Parkin, were posted to the industrial town in 1878 to spread the gospel.
- The South and Mid Wales Salvation Army Fellowship Band performed at the Big Pit Museum in Blaenavon on 21 October, on the anniversary of the Aberfan disaster in 1966 in which 116 schoolchildren and 28 adults died. Salvationists were among the first on the scene working alongside emergency services and other voluntary organisations.

All celebrations were outward-looking and forward-looking, not just revelling in our history, however rich and God-honouring it is.

| [Find out more](https://salvationist.org.uk/wales150) about Wales 150 at salvationist.org.uk/wales150.

Growing faith and knowledge

We have a commitment to continual professional development and during the year, 22 Salvation Army officers graduated with a degree in either Christian Theology and Practice or Pastoral Care with Psychology.

Both programmes were specifically designed for officers wanting to build upon, and enhance, their initial training.

- **Christian Theology and Practice**
Brings the resources of academic theology into conversation with Christian discipleship and practice.
- **Pastoral Care with Psychology**
Designed to develop students' academic knowledge, understanding, skills and experience of pastoral care within their varied contexts.

Each graduate had studied for their degrees alongside full-time ministry appointments. They were taught by qualified, practitioner officer tutors who have a personal investment in the vitality of Christian faith and practice in critical times.

Major Tom Stirling has, with others, been instrumental in developing both degrees since 2004. He shared William Booth College's vision to provide opportunities for officers to engage in bespoke, specially designed bachelor programmes.

Speaking on behalf of the graduates, Captain Luke Johnson who leads The Salvation Army in Minster recounted how studying for the Christian Theology and Practice degree had increased his confidence in communicating to a wide and varied audience.

Captain Yvonne West leader of Wetherby Salvation Army spoke of how the learning from the Pastoral Care with Psychology degree had impacted her understanding of herself and others, and equipped her to minister through times of challenge and change.

They both paid tribute to families, colleagues and the staff teams for the wide and varied support they had received during their learning experiences.

Helping young people to hear God's calling

In March 2024, a new 'Discover' vocational weekend was held at William Booth College. It gave 17 young delegates from the South East Division (region) the opportunity to discover more about their God-given identities.

The young people, aged 13 to 17, focused on their abilities, passions, personalities, spiritual gifts and life experiences. As well as group sessions, they enjoyed a team challenge that took them out of their comfort zones.

While taking part in tasks, they discovered that 'being' rather than 'doing' was crucial in discovering what they were made for.

The next step is about moving forward with what they have discovered, so they can continue to develop and become what God has called them to be.

Some of the young people share what it meant to them:

'It gave me opportunities to explore what my future may look like as a Christian in today's world.'

'Attending was a big step in my Christian life and for my ministry.'

'It was a blessing as it brought us all together as one and Jesus was in the middle helping us discover the right path for us.'

Focus on leadership

Exploring Leadership Day

'So here's what I want you to do, God helping you: Take your everyday, ordinary life - your sleeping, eating, going-to-work, and walking-around life - and place it Before God as an offering' (Romans 12:1 and 2 The Message).

At our annual 'Exploring Leadership Day', Salvationists came together to explore spiritual leadership, officership, vocation and ministry within The Salvation Army.

This year, the Bible passage (above) was at the heart of the day, helping people to think about who and what God is calling them to be, and their path within The Salvation Army.

Belén Marquez from Addlestone corps who attended, said: 'There is everything, from group worship to quiet times and small groups. I feel like everyone will get something out of it, whether your calling is to officership or something else.'

New ways of serving

There are many Salvationists who would like to be an officer but who cannot offer the kind of commitment required. To help them use their talents and faith to serve in The Salvation Army, we concluded that contracted employment may be appropriate for some.

As with many denominations, finding ways to provide sufficient church leaders is driving creative thinking. During the year, we announced a new way forward - a flexible leadership model. As part of this, a new role of *employed corps leader* was introduced alongside the continued availability of roles such as pioneer leader and chaplain.

We developed a wider territorial framework, to ensure a consistent approach to recruitment, training, deployment, support and oversight of those entering into an employment contract to lead a local setting of The Salvation Army.

Major Beverly Baker, Senior Personnel Officer said: 'Our hopes and prayers are that people will continue to be open to exploring the call of God and will take opportunities to deepen their discipleship and service, including through officership, territorial envoyship or through employment with The Salvation Army.'

Inspiration and learning

Worship Conference update

The conference was established in 2023 to equip, empower and inspire Salvationists engaged in contemporary worship. This year, 56 delegates came together to develop musically, technically and spiritually.

The house worship team kicked things off with sung worship. New practical resources were introduced, before Assistant Secretary for Mission Major Kerry Coke began the weekend's teaching with a focus on making our worship the foundation of our lives.

Some other highlights included:

- sessions in which delegates engaged and shared ideas on developing a worship diet based on the content of the psalms
- teaching from special guest Les Moir who has years of experience in the Christian contemporary music industry
- a powerful time of prayer and the laying on of hands for songwriters and new songs to inspire the Movement
- a Spirit-filled worship session led by Special guest Philippa Hanna and her band that encouraged freedom in worship, with further opportunities to respond and pray together.

Throughout this exciting and uplifting weekend, there was a real sense that God was speaking to people about their calling and their relationship with him. Delegates returned to their local settings with newly developed skills, a renewed fire in their hearts and a song on their lips.

Riverbank Conference update

'Then you will know the truth, and the truth will set you free.' (John 8:32 NIV).

At the 2024 Riverbank territorial women's conference, delegates sought to explore Jesus' words from John 8:32, using 'Truth Be Told' as their overarching theme.

The scene was set during the first main session, with Major David Betteridge (Director of Family Ministries), challenging everyone to find freedom in God's truth that they are accepted, secure and significant.

Guest speaker the Rev Dr Helen Paynter revealed scriptural truth about Esther and Phoebe - women who were valued by God and given essential roles within his work.

Assistant Secretary for Mission Major Kerry Coke encouraged delegates to accept the offer of God's truth to find everything needed for fullness of life.

Worship leader and songwriter Lucy Grimble, supported by her band, led inspiring worship that sensitively enriched the truth being spoken and enabled women to respond throughout the weekend form of a magazine-style panel show.

SPOTLIGHT ON... DOING CHURCH DIFFERENTLY

Since our beginnings, The Salvation Army has never adopted the traditional concept of a church, using the pulpit only to talk about God's word. We lived out our doctrine of practical Christianity, reaching out to people who needed us - wherever they were.

Today, we continue to reach out in new, inventive ways to bring practical help, support and the love of God to people who may have never stepped foot inside a church.

Pioneering - reaching out in new and innovative ways

The Salvation Army has been working with society's most vulnerable and marginalised people for 160 years. Today we're in over 600 communities around the UK and Ireland, but our work doesn't stop there. **Pioneering is all about starting in new places, with new people.**

We have over 20 pioneer settings across the territory which have been going for 1-8 years. All of these have a unique ministry to hundreds of people in each of their communities. Here are updates from two of our newest expressions.

Stuff on a bus

Supported partly through Essex County Council, Stuff on the Bus is a mobile community supermarket in Canvey Island, Essex. The bus is full of food, toiletries and other essentials. These are sold at a discount to people who are struggling. Local people say it bridges the gap between the supermarket and the food bank.

Salvation Army Pioneer Leader Holly Alberici said: 'The bus is essentially 'church in an unconventional way' on a double decker bus that drives around Canvey.' On the top deck, there's a space for individual support where The Salvation Army is helping people with employment, money management, digital inclusion and more.

As well as the bus, there is a building in the community where our team runs a

family hub, a safe space for children and parents to be together. Ultimately, we see these initiatives leading to a new worshipping community of The Salvation Army.

Watch a video Meet Holly Alberici and her team, and their customers.

<https://www.salvationist.org.uk/articles/territorial-leaders-message-canvey-island>

Building a community

Ebbsfleet Garden City in Kent will see 15,000 new homes built by 2035. In February 2025, The Salvation Army in Ebbsfleet unveiled new plans to support local residents through fundraising for a bespoke mobile community space.

The space, an adapted van, will break down barriers and reduce isolation. It will be a safe place for young people to come together. In time it will become an asset for large community events.

Intergenerational church - for all ages and stages

As well as intercultural, The Salvation Army is a big family and an intergenerational culture is at our heart. Yet it is widely recognised by the government and the voluntary sector that there is a lack of intergenerational connection across society and in communities.

As a church and charity, we are in a good place to redress the lack of intergenerational relationships. And we are making a significant impact, through our programmes and our culture.

Welcoming intergenerational officers

As part of our commitment, we are training a new team of intergenerational officers and workers like Shelley Gallagher in our South East Division.

For Shelley, intergenerational church is about everyone sharing in their faith journey and supporting each other. She said: 'I feel like *Big Family of God* is my theme song in this role. It talks about how we may like many different things, or look different, but that we're part of the big family of God!'

In her division, there is a long list of emerging and thriving intergenerational ministry, from parent-and-toddler groups to open house invitations for people to chat and do crafts together, regardless of age or situation.

There are also children and youth welcoming church members as they arrive for Sunday meetings and older people offering refreshments to people of all ages who attend the meeting.

Sharing innovative resources

We continue to create and develop innovative resources to help us build authentic relationships with individuals and families. We describe some examples, here:

- Get OWT! - a family-oriented programme that uses nature to nurture little ones.
- Family Camp - for single people, older people, babies, refugees... the family of God.
- Drawing Closer - anyone of any age can explore the Psalms through art.
- Jump IN! - Bible-based course for those working with young children and their carers.

Intergenerational insight

7,000 people per week attend Parent and Toddler groups, thanks to The Salvation Army in UK and Ireland.

Core Recovery - for people in recovery

Core Recovery is the very essence of The Salvation Army's mission and ministry. We work with people in recovery from addiction, the effects of trauma or mental health issues, or simply the troubles of day to day life.

We walk with people on an individual basis within a simple inclusive, programme. Along the way, we introduce them to Jesus. It's a way of exploring faith for people who may not want to become part of a formalised church.

Over the year in review, we developed a training and induction programme which will help us add to the depth and quality of support we can provide.

Recovery Hub - Atherton, Wigan

The Atherton Salvation Army, North West & Isle of Man Division, runs a Recovery Hub for people in their community who are grappling with addiction and difficulties in life. During the year, its first year, the corps supported more than 40 people on their journey to recover from addiction. The programme is run in association with Wigan Council's drugs, alcohol, mental wellbeing and inclusion teams.

A typical day includes:

- **Recovery Breakfast Drop In** - for people in the community in poor accommodation, offering a safe warm space to enjoy food and hot drinks.
- **Recovery Workshop** - these have various themes, such as music, talking groups, sewing or creative activities. It's a place to learn, talk things through or simply unwind.
- **Curry Club or Fish and Chip Friday** - a place of connection, compassion and community, giving people at rock bottom a firm foundation from which to rebuild.

There was very limited recovery focused spaces across Wigan. When people get clinical support for addiction, often there was no aftercare within the community either. Our community group is a peer-led safe space with like-minded individuals to share success stories, lived experience and coping mechanisms when it comes to overcoming addiction.

The Salvation Army's origins are rooted in providing spiritual support for people caught in addiction. Captain Darron Boulton, church leader and his team was on hand to offer spiritual support following the sessions.

'The Recovery Hub is available for anyone in recovery, whether that has been for a period of two days, two years or longer and is an inclusive space for all stages of recovery allowing for healing and transformation.'

Captain Darron Boulton

Many services are in collaboration with partners. For example, working with NHS and Epic HOPE allows the team to bring in a mental health non-clinical team. It means people with mental health issues, or in crisis, no longer need to wait for a GP appointment or spend hours in A&E.

Paul's story

Paul jokes there is not much he has not tried. Solvent abuse and crack have been his biggest battles. Paul was also homeless for over 15 years and attends most of the programmes at the Recovery Hub.

Paul would claim to have had a lifetime of addiction issues but felt that our course helped him see his value to God. He felt that the scriptures discussed on the course spoke to him in a down-to-earth way. He saw our support as a practical way of dealing with his ongoing addiction.

Caring for Creation - it's in our hands

‘God saw all that he had made, and it was very good.’ (Genesis 1:31 NIV).

The Salvation Army believes people are made in the image of God. He has entrusted us to reflect his personality by caring for the Earth and everything on it. Today, environmental degradation is one of the most pressing issues facing the world. Temperatures are rising, species are becoming extinct and pollution takes a tighter hold. Caring for creation is therefore one of our five Mission Priorities.

We are working together, in our corps and everyday lives, to do what we can to live a more sustainable lifestyle. Here are some ways we've been doing this, during the year.

Sustainability Strategy - update

In June 2023, The Salvation Army in the UK and Ireland declared a climate emergency. We announced our intention to reduce our carbon emissions to net zero by 2040, with a target of at least 50 per cent reduction by 2030.

In June 2024, we reported back on where we were on this roadmap. ‘It's a 16-year path to be net zero by 2040,’ said Brian Troddyn, The Salvation Army's Sustainability Manager. The strategy has been broken down into three-year plans, with the first Carbon Management Plan signed off during the year.

The Salvation Army's estate includes more than 2,800 buildings, including officers' quarters, corps halls, Lifehouses, and more. ‘The biggest undertaking will be helping existing buildings reduce their carbon footprints,’ explained Brian. Our longer term plans include:

- improving Energy Performance Certificate (EPC) of officers' quarters - on a scale of A to G, we are looking to bring them up to a minimum of C.
- transitioning from gas boilers to different technologies, like electric boilers
- installing solar panels.

The Salvation Army also needs a large fleet of around 800 vehicles to run our operations, including church minibuses, emergency response vehicles, transporting outreach and social workers, and logistical support for our charity shops. We are shifting to electric vehicles and looking to reduce the amount of travelling we do and encouraging a change in behaviour.

Beyond that, we are looking with the procurement team at the whole supply chain for The Salvation Army in this territory from a carbon impact perspective.’ Brian concluded.

Focus on eco churches

On a local level, the eco church and eco-congregation schemes also feed into the strategy. Our aim is that, by 2030, 90 per cent of corps will be registered with an eco church scheme.

Eco churches are marked on their approach to five areas: worship and teaching buildings, land, community and global engagement, and lifestyle. After completing a survey, churches are awarded gold, silver or bronze awards depending on their eco-performance in each area.

During the year, our Southport corps gained a silver eco church award. It was led by Community Engagement and Development Manager Kathryn Casserley with a small but enthusiastic team.

‘Our building was designed with sustainability in mind. We have solar panels, use recycled paper products where possible, and have recycling bins. We are recognised as a Fairtrade church and continue to foster links with other sustainable organisations,’ said Kathryn.

Caring for creation is also shown through teaching in meetings, information shared online and a quarterly ‘Community Matters’ publication, which includes green tips. The community garden encourages biodiversity and now includes more growing areas. ‘It created a tranquil piece of nature on a busy urban street. We compost where possible and are beginning to harvest rainwater. We encourage and welcome volunteers to help,’ said Kathryn. The team is now exploring what gold level eco church involves.

87% increase in number of Eco Corps since 2024.

Growing together garden

In National Allotment Week in August 2024, we met with Alison Sargent who talked about volunteering on the allotment at her Salvation Army church in Sale, Greater Manchester.

Alison said: ‘It was hidden away in the centre of Sale, so nobody knew it was there really. My husband is a gardener, and I love gardening, so we got connected with it.’ Today the community garden and allotment is far more widely known. And Alison and David have taken on the responsibility of being volunteers to help to co-ordinate the running of it.

Everyone who has a plot tidies up their own area. It’s a real community project. Such togetherness is one of the benefits of the garden and allotment - a site which, Alison says, for some people is ‘life-saving’.

The garden brings people together in friendship. ‘Even if people don’t come to the worship meetings or activities, we can have conversations with them about what our church does and the different groups we have. And this is important to us, because Sale Salvation Army cares about the community,’ Alison said.

The garden is open to the general public and visitors enjoy:

- ten small allotments - growing a variety of produce
- planters - for people in wheelchairs or who can’t bend down
- little plots - for children who attend Tots on Plots to grow strawberries and sunflowers
- grassy areas - for dog walking
- fruit section - a space where visitors can ‘pick their own’
- wildlife pond - home to a variety of plants, fish, insects and amphibians
- memorial rose garden - a place full of wonderful scents, to relax and reflect.

Salvationists United - Sports Ministry

As a church, we continue to raise the profile of sport as an arena for mission that will empower people as they connect their passion for Jesus with their love of sport. Our goal is to open new doors and develop new relationships with all kinds of people in our communities.

Sports mission goals

- Share who Jesus is.

- Be a visible presence in people's lives.
- Connect passion for Jesus with people's love of sport.
- Dig deeper into wellbeing as part of worship and discipleship.
- Be sustainable and community centred.

Warren Evans, Sports Chaplaincy UK CEO describes sports chaplaincy as 'stepping out into the unknown, having courage'. He said: 'As a chaplain, the biggest privilege is to get alongside people, not judging them, not weighing them, not measuring them. You just listen to them and speak hope and life, when no one else has spoken hope and life over them. It is an immense privilege'. The Salvation Army Sports Mission team have been active at putting these principles onto action.

Football focus

We continued to run our popular football clubs and challenges. In Liverpool Stoneycroft, corps officer Sam reaches out to men, many of whom are homeless or migrants, to develop relationships and support them with their mental health.

The weekly Tuesday football session now has 77 members and is often over-subscribed. Given its success, Sam is looking to expand and run games every couple of weeks on a Friday, with a meal afterwards.

More winning ideas!

- **Surf Church, St Ives** - for people wrestling with real life issues such as wellbeing, loneliness and loss, corps officers Captains Nathan and Helen Loxley ran a beach-based mission. They welcomed people on the beach and read a Bible passage. It was followed by a walk, swim or surf. Afterwards they had breakfast and prayed. The Surf Church has grown from just three members to 45 plus.
- **Boxing and Recovery, York** - the project supported people who had addictions and/or were experiencing homelessness and mental health issues. As people box and exercise together, they could connect and talk about their struggles. They got advice, found confidence and grew self-esteem, which was critical for the individuals concerned.
- **Junior Parkrun, Stowmarket** - our local corps joined with this pre-existing community event. We brought different generations together to volunteer each week. They opened up the café at the recreation ground, extending hospitality, care and connection with others.

'As people start to share something of their everyday with us, we are able to tell them that we have been and will be praying for them. I want to be, and want the volunteers in the café to be, a visible expression of God.'

Vicky Hendry, run director for junior Parkrun and volunteer co-ordinator.

OUR CHURCHES ARE ALSO COMMUNITY CENTRES

Shining lights - innovation around our corps

Pontypool - community champions

'These days, people don't tend to know their neighbours; there's a lot of isolation,' said Captains Andrew and Lorraine Warriner. During the year, their corps found ways to reach out to the wider community.

By embracing new ways of worshipping, they welcomed three teenagers who now attend on Sundays. Earlier this year they ran a Christianity Explored course for people who wouldn't normally go to church.

A Friday community hub opened to give people who feel lonely or isolated a place to meet others. At the same time, they could seek advice and also visit the food bank. The corps provided 40 rucksacks for people experiencing homelessness, with essentials, including a little gas cooker, all in one bag to prevent their property being stolen.

The corps works closely with Churches Together. They held many outdoor meetings during the year, so that people can see that Christians are living in and living out their faith in the town. 'Next year, we're adding a Pentecost in the Park event', Captain Andrew added.

Chelmsford - ready to respond

The Chelmsford corps operates one of The Salvation Army's 25 emergency response vehicles, in partnership with Essex Fire and Rescue Service. Majors Ian and Tracey Mountford are reached by a dedicated number, to direct them where to go with the emergency vehicle, along with provisions and volunteers.

'Calls come in day or night, and teams respond within 45 minutes. Shifts last a maximum of six hours, then new volunteers come in as needed. Larger incidents can go on for weeks,' said Major Ian.

The teams are trained to provide food and hospitality, be a listening ear to firefighters and emergency personnel, and to assist at rest centres organised by the county council's emergency planning teams.

Major Tracey is also the divisional emergency response coordinator for critical incidents, liaising with volunteers and officers from other corps, with the aim of being ready to respond.

Read more. Learn about The Salvation Army's Emergency Response work on page 33 of this Review.

Nottingham - journeying with students

Every year, Nottingham sees an influx of new students. 'As a church we should be there and be supportive to students who really need us at this time in their lives' said Major Robert Jepson, who leads the corps with his wife, Major Julia.

During the year, they pitched their marquee at the Discover Nottingham fair in September as usual, reaching around 1,300 students. They took resources and useful freebies, such as reusable cups, with the Army's details and the university's chaplaincy QR code.

At the Freshers Week fair, students entered a competition to do a fundraising skydive. The last group raised £6,000. Afterwards students were invited to our church to receive a certificate and a Bible.

Majors Robert and Julia were assisted by corps member Margaret and student Kaike to deliver pre-cooked breakfasts on the university site to 130 students. International students often stay on beyond term-time and that's when they feel the loneliest.

Major Robert has represented the chaplaincy team at six graduation ceremonies, silently praying for each student as they walked across the platform. 'Most are not from a church background,' said Major Robert. 'Students will know someone was interested in them. Our hope is we lead people to finding and knowing Jesus. That's our mission.'

Winsford - everyone welcome

Building on our drive for intercultural mission, described on page 13, Majors Claire and Gareth Dickens lead this small, diverse corps in the middle of Cheshire.

'We're blessed to have people from a variety of nationalities worshipping with us,' said Major Claire.

At the corps anniversary in November, families from Angola, Pakistan and Nigeria all sang. 'It's great when people feel comfortable in bringing something of their own to worship,' Major Gareth said.

The corps welcomed some families from Angola and Pakistan who were seeking asylum. They continued to facilitate Sunday worship online in Farsi and English for Iranian asylum seekers, linking with other churches and corps. Usually, there were 10 to 20 in attendance.

International meals became a corps favourite during the year. People came together and shared different food, knowing they could receive a warm welcome and good company.

People continued to drop into The Sanctuary on Tuesdays, a space for people to meet for a chat. 'It's important that people know we're here to help in any way we can. One of our regulars is a 17-year-old from Syria who has no surviving family left at all,' said Major Claire.

Newquay - becoming whole

Responding to our ambition for intergenerational mission described earlier on page 21 during the year, Martyn Coles, Territorial Envoy, continued to answer his calling from God: to reimagine and replant The Salvation Army in Newquay.

'When generations are missing, we're not whole,' said Martyn. From a small and devoted corps of mostly older people, Martyn has reached out to involve the youngest to the oldest in the community. The corps has brought in a part-time intergenerational worker to help build relationships across age groups.

Last year, there was a major drive for people of all ages to connect with gathered worship. They started doing Messy Church quarterly and engaged with about 30 people and now run it monthly.

Other ways the generations came together was with children and families connecting through the parent and baby support group, as well as older people coming to the community café.

Martyn reflected that often it isn't only about age. Intergenerational church is about trying something different to help people connect with God in a way that's suited to them. 'We're so much richer for having a wide range of children, adults and older people present,' said Martyn.

In touch with our grassroots

We never lose touch with the fundamental reason we are here: we put our faith into action by offering practical and compassionate support for people in need.

Here we focus on the value of doing simple things well.

Southport - respectful remembrance

In July 2024, we prayed for the victims of the tragic incident in Southport where three young girls lost their precious lives at a dance class. Southport's Salvation Army band played in the town centre while a floral tribute was laid on behalf of the corps. The hall was open for quiet contemplation and support in the days following the incident.

Horden - let's talk

Studies have shown that men are far less likely than women to seek help with their mental health (Mental Health UK). Having faced challenges of his own, Malcolm 'Mally' Gooch set up Mally's Manclub at Horden corps. The biggest task was getting men through the door. His approach was simple: 'I wanted to make a place where lads can just chill out. Just talking is a victory,' he said.

Cirencester - digital literacy

Doing everyday things online, like paying bills, is becoming the norm. But some people don't have the means, money or ability to go online. In partnership with Hope Cirencester and others, Cirencester corps hosted the first in a series of digital literacy classes design to empower adults with limited technology knowledge. The course was open to anyone in the community who needed help mastering smartphones, computers and online safety.

Welling - a sense of pride

Litter picking and keeping communities tidy not only reduces pollution, it fosters a sense of pride too. The Welling corps has been involved with the community group Discover Welling. Together they've been clearing up litter and tidying areas around their high street. It was an opportunity to put their faith into action, while engaging with each other and passers-by.

London - redressing clothing poverty

London's Oxford Street generated £3.1 billion in retail sales last year. Yet the reality for many London residents is that even buying school uniforms is a financial stretch. The Salvation Army's Regent Hall church, just along from Oxford Circus, is right up their street. It set up a community wardrobe to alleviate financial pressures on families.

SERVING COMMUNITIES, TACKLING ISSUES

Helping people into meaningful employment

We believe that everyone has a God-given purpose in life. We are called to live in a way that is most appropriate to the opportunities provided by God.

Our employment services seek to give people a hand up, not a handout. We help people discover exactly what they are capable of and, wherever possible, to enable them to see that their best is God's plan for them. We want to help people who are unemployed and underemployed fulfil their potential by making a positive difference in their lives.

Some of the services, especially Employment Plus, below, are financed through our Salvation Army Social Work Trust, a separate charity registration, used mainly for local authority and other contracted work but with funding also from The Salvation Army Trust (this report & accounts). In addition, Employment Plus is largely operated through our corps and local centres, so we describe this work in both reports and accounts.

Employment Plus

The Salvation Army's Employment Plus service offered tailored support to help people become job-ready. Our aim was to help job seekers to get a job and stay in work.

We operated at the heart of communities in more than 650 locations across the territory. Our focus was on empowering individuals to overcome obstacles they face professionally and personally, and to fulfil their life ambitions.

Employment Plus has established a niche but well respected employability service, helping people who face the biggest barriers to employment - such as a lack of up to-date skills, those who have been unable to search for work due to health problems, disability, or homelessness.

Often the service was delivered through our corps halls, taking a person-centred approach, finding out who they were and what might be preventing them finding employment.

Where programmes took place	Number of programmes
Salvation Army Corps	218
Salvation Army Community Centres	6
Lifeshouses and Outreach	23
External locations e.g Jobcentre Plus	160
Prisons	11
General employment support	Number of people 2024/2025
Single enquiry	3,061
Starts on programme	4,502
Milestones	13,947
Jobs	840

Note: milestones included creating a new CV, work focused SMART action plan, training, work experience placement (one person can achieve more than one milestone).

Insight

90% of people using the service said they felt better about their mental health because they are engaged.

Some highlights from the year

▪ Rise in employability services

Services were established and expanded in various locations, such as Brighton, Canterbury, Stratford, and more. We addressed increasing referrals and built partnerships with local organisations to enhance community support. These services aimed to elevate employability prospects for individuals in need.

▪ New national event

The first employability and networking event was held at The Salvation Army Headquarters in June 2024. It included an interview skills workshop, fostering professional development and networking opportunities.

▪ Ongoing local events

We continued to run events locally across the territory. One example was a free drop in event in Croydon where 70 jobseekers from Croydon and the surrounding areas talked to employability experts and started their journey towards work.

▪ Specialist work grew

Four UK Shared Prosperity Fund (UKSPF) contracts were launched, allowing for further expansion into specialist work for ex-offenders. The first 'behind the gate' provision at Featherstone prison began funded by the Ministry of Justice, offering vital reintegration support for prisoners approaching release.

▪ Established service

The Felixstowe Job Club marked its first anniversary, celebrating its success in helping 80 participants move closer to employment while fostering community engagement. On average, over 10 different organisations attended the Corps every week, with around 50 attendees each week.

Flying high - Cheyenne's story

Cheyenne always had career goals but she put them on hold to be mum to her three children. When she was ready to embark on a job search, she found that her childcare responsibilities were seen as an obstacle to employment.

Someone suggested that she contact The Salvation Army and she joined the Employment Plus programme at its Birkenhead church. She said: 'I had heard of The Salvation Army, but I thought they were just a charity helping homeless people at Christmas. I am so glad I found them'.

Cheyenne was impressed by the efficiency of our approach. We helped with her CV and interview preparation, and she secured a job with Merseytravel, in around four weeks. It fitted perfectly with her career goals and childcare requirements.

'They helped me and persisted where others had written me off. They gave me hope again,' she said.

More than work

In 1891, The Salvation Army acquired Hadleigh Farm for the purpose of providing vocational training to unskilled labourers in need of work. Today The Salvation Army provides apprenticeships to a wide variety of people right across the territory.

During the year, apprenticeships continued to help The Salvation Army to create a more inclusive workforce. They were available to those already in employment and funded by the government's apprenticeship levy.

We provided opportunities to:

- people from diverse backgrounds
- women, helping them to thrive in traditionally male-dominated industries
- individuals with disabilities and health-related challenges.

Why apprenticeships?

We used them to nurture our workforce and generate roles to fulfil operational needs for vital frontline work - in community outreach, health and social care, and employment services. We also offered them in management and leadership, youth work and early years, hospitality, business administration, finance and fundraising.

Who were apprentices?

We saw apprenticeships as particularly valuable to young people who may not want to pursue a traditional academic route but who are eager to build a career. Apprenticeships allowed for them to earn while they learn, making them financially self-sufficient.

Equally, we offered apprenticeships to people looking to change careers later in life, or for individuals wanting to switch from, or upskill, in their current field.

Overall, apprenticeships remained versatile and flexible, open to all ages and levels of experience. They grew increasingly accessible to a broader range of individuals, supporting a variety of people in different circumstances. We learned a lot too.

- **Plus-point for individuals**
 - Enhance skills and boost job satisfaction
 - Keep up to date with trends and best practices
 - Gain skills without expensive, formal education
- **Benefits for our organisation**
 - Help The Salvation Army retain staff
 - Enhance the quality of Salvation Army services

Youth support worker apprentices share their experiences:

'Training courses have enabled me to work in schools as a mentor, help open and run a youth club, work within a team and achieve amazing things.' Kevin

'I get support in the learning side of my role with my dyslexia. Instead of written assignments, I have academic discussions with my tutor and produce verbal evidence of my learning.' Luke

Financial inclusion - debt advice

William Booth said 'Brought it on themselves you say? Well, that may be so, but you don't ask a man whose house is on fire whether he has paid the rent before you rescue him!'

Debt can lead to feelings of loneliness, break downs in relationships, it can create homelessness, and cause individuals to feel isolated and ashamed. Often, people in debt find themselves cut off from other aspects of society, exacerbating their sense of isolation.

Our Financial Inclusion Services are dedicated to support individuals by providing a comprehensive range of services - working from 23 locations:

- not-for-profit service offering personalised debt advice
- personalised budgeting training
- emotional and social support for clients and their families
- ongoing support for those who are financially excluded.

We are authorised and regulated by the Financial Conduct Authority (FCA), ensuring that all our operations meet stringent regulatory standards. Our dedicated staff and volunteers are thoroughly trained to meet these regulatory requirements, ensuring that they provide the highest quality of service to our clients.

Concerning trends

An alarming concern was that 41 per cent of our clients had a negative budget even before paying for all essential goods.

There was little change in the main reasons for debt over the year, but low income and long-term illnesses continued to account for 40% of all cases.

At the year end the total of debts being managed by our service has increased by 16.6% to a total of £7.43 million.

Making an impact

Over the past year, our service continued to achieve high standards for our clients. We measured impact through a wellbeing reading (on a scale of 0 to 5). It increased from 1.65 at the start of their journey with us to 3.63 at the end of our support. This represents a significant easing of stress and worry.

At the end of the year, there was a 3.34 per cent rise in the proportion of clients in work with a commensurate decrease in those in receipt of Universal Credit 13.32 per cent (from 53.80 per cent).

Message of support - anonymous

'I am writing to let you know how much I appreciate your financial guidance. Your advice has given me emotional stability. Being in debt is worrying and bad for health however when I got in debt due to circumstances and the tunnel was dark you have been encouraging and brought a ray of light. I am paying off my debts from what I can afford, as you continue to help me work out my expenditure.'

'I can visualise a time when I will be debt free. In the meantime, may you be blessed for the individualised support you have provided to me.'

Our service in action

Victory Programme

The Victory Programme continued to bring people together, supporting those who felt isolated, building relationships, and helping individuals feel more connected to their community.

This programme consisted of three main components: cooking, gardening, and budgeting. These activities allowed people in the community to come together and share experiences while participating in one or more of the activities.

We delivered the programme on eleven occasions during the year.

Each course saw up to six people learning to cook on a budget and gain other knowledge such as food hygiene, healthy eating, where to shop and how to grow produce.

Cooking tuition was led by Chef Helene, and corps volunteers act as buddies for attendees. Buddies helped and supervised, especially if people have difficulties, and ensured that everyone was being safe and careful.

We encouraged all who signed up for the Victory Programme to see it through to conclusion. At the end, we held a celebration ceremony and people chose a useful item, such as a slow cooker or a kettle, whatever suited their individual situation.

Budgeting is crucial to ensure that individuals understand their financial situation, including how much money they have coming in and going out. Our programmes helped them recognise whether they need to increase their income to cover expenditures or reduce their spending to align with their income.

Responding in a crisis

With our roots in cities, towns and villages all over the territory, we were here for people and communities at times of crisis, rolling our sleeves up and providing practical, emotional and spiritual support.

Last year, The Salvation Army continued to be there to support members of the emergency services at major incidents such as fires, floods, and accidents. Their work can be physically exhausting and mentally draining. Food and water was welcomed, as was the chance to talk and unwind even if for a few minutes.

We offered comfort and support to people the communities affected too. Facing trauma, or losing everything in a flood or fire, is difficult and daunting. Sometimes people asked us to pray with them.

Action stations!

- We had around 25 Incident Response vehicles stationed right around the UK.
- We received round the clock enquiries from fire, police and local authorities.
- Calls on our service and ministry have doubled since 2018.

Achievements - at a glance

- Supported around **300** major incidents and exercises across the UK.

- Provided brand new Incident Response Vehicles to South Wales, East Midlands and Essex.
- Started **new work** supporting Surrey Fire and Rescue Service for the first time, attending three large scale incidents in the first few months.
- Considered how to **cut carbon emissions**, hoping to purchase Electric Logistic vehicle, and explore solar power panels for our vehicles.
- Supporting a rest centre near Dover where residents properties were severely flooded and they had to be evacuated.
- Attended numerous incidents supporting the London Fire Brigade including the large substation fire that closed down Heathrow airport for a number of days.
- Attended the scene of a gas explosion in Derbyshire where families and individuals lost their homes.
- Attended a large scale fire at a department store close to Cardiff.
- Attended numerous fires many in the rural communities in Suffolk where support is scarce.

REACHING OUT TO VULNERABLE PEOPLE

General election - seeking the best for our communities

In the run-up to the UK General Election, the Public Affairs Unit produced a principles-based manifesto setting out key concerns in the themed areas of Overcoming Poverty, Seeking Safety and Security, Living with Dignity, and Building a Flourishing World, as well as a suite of materials to enable the local Salvation Army presence to encourage and help people to register to vote. A number of webinars were also held, to help local expressions use these resources and plan their engagement with candidates and campaigns.

Supporting children and young people

The world children and young people are growing up in continues to present so many challenges. We remained passionate about doing what we could to improve their experiences of life. We helped them to respond with resilience, engaging positively with the world around them.

During the year, we continued our transformative work with children and young people across the UK and Ireland. Here are some highlights from the year.

Here from the start - early years

We operated in areas of high deprivation to provide high quality childcare for pre-school children. We supported over 200 children, helping them not only to be ready for school but to reach their full potential and to flourish. Where needed, we supported parents and carers in accessing additional support.

Willow's story

At one of our nurseries, we had a little girl Willow (we have changed her name) whose mother was in prison. Her Dad looked after her and her two siblings on his own in a two-bedroomed flat.

While her older siblings went to school, Willow attended our nursery three sessions per week using her allocated 15 hours of funding. Our staff made sure she had a healthy breakfast, as her Dad struggled to get the children ready in the mornings.

Having sought her Dad's permission, we helped Willow to wash her hands and face, brush her hair and tie it up neatly. We gave her a fresh set of clothes whilst her own clothes were washed. She then played and had lunch with her friends.

Dad is doing his best and the children are at no threat of harm they just needed support. Our nursery offered support without judgement, and was a safe place for Dad to accept help.

Community childcare champions

Corps officers Captains Clare and Robert Davis (Leigh-on-Sea Salvation Army) were invited by Anna Firth, the Member of Parliament (MP) for Southend West, to a reception honouring community childcare champions at 10 Downing Street.

The corps is home to the Smiley Centre for Children, the oldest Army-run preschool in the country. It provides funded early education for two, three and four-year-old children.

As well as networking with education providers, Captains Clare and Robert spoke to David Johnston MP, minister for children, families and wellbeing, who hosted the event.

Smiley's is one of seven Ofsted registered childcare services run by The Salvation Army. Andrea Stevens, Early Years Operations Manager for The Salvation Army, said: 'Parents trust the Salvation Army brand and we feel privileged to be able to support children and families in the first stages of their education. We are able to sign post families to other services and as soon as they come to a setting they become part of our church community.'

Happy together - camps, clubs and day trips

Our clubs, camps and day trips offered the chance for children and young people to have an amazing experience. Time away from home gave them the chance to focus on themselves, God and each other.

Summer camps

During 2024, over 1500 children and young people attended a camp, and these camps were staffed by over 500 adults, many of whom were volunteers.

We share news from three of the summer schools and camps from divisions across the territory:

- **Ireland**

Young people explored the theme 'Into the Wild', talking about what God meant to them while enjoying the great outdoors.

One young person, Rebekah, said: 'Thank you to all the wonderful leaders who encouraged and supported us through our adventurous week. There were so many highlights and memories that I will cherish for ever. This year I will start my GCSE journey, knowing that God will always be with me no matter how wild it gets!'

- **North East**

This junior camp packed lots of activities into each day from a visit to Newcastle Castle to going swimming and playing games. There was even a disco and trip to Pizza Hut.

One girl, Jessica, told us: 'I learnt lots of new fun songs like 'Joy, Joy, Joy' and 'King of Me' to share with my corps, and the teachings were something everyone could join in. I had an amazing week and made new friends that I will be keeping in touch with.'

- **Central, Southern and Channel Islands**

The 'Encounter' summer school gave young people the chance to experience God in a new setting and through activities including creative arts and song.

One participant said: 'Encounter has definitely inspired me and helped strengthen my relationship with God. I hope to use this experience to be a light in my community and help others do the same. I look forward to going again!'

Reviving youth clubs

Youth clubs are a simple concept. They provide young people with a safe space to socialise, play sport or try new hobbies. Young people can also engage with our youth workers who offer them support, often acting as mentors and confidants.

Yet funding to youth services by local authorities in England and Wales saw a real terms decline of 70 per cent between 2010/11 and 2018/19. Covid-19 saw the closure of more youth organisations.

The Salvation Army runs youth clubs around the territory, which are much-welcomed and highly-valued by young people living in disadvantaged communities.

During the year, a new youth club was established at the Clowne Corps. The leaders welcomed and registered 14 new members almost straightaway. They enjoyed snooker, video games and board games. The tuck shop was also popular.

Such has been the success of the new club, they are holding regular weekly term-time meetings.

Day trip of a lifetime

Life hadn't been easy for Tara or her family in recent years. She is responsible for her eight-year-old granddaughter Poppy, and she provides extra support for her other grandchildren, after her son took his own life.

Money was always tight. Just going on the bus to see one of her grandchildren costs £7 for a return ticket. 'We couldn't afford to go to another grandchild's party recently, because with travel and entrance it was going to cost £63,' said Tara.

So a trip to Edinburgh Zoo, organised and funded by The Salvation Army was a real treat. Without it Tara wouldn't have been able to afford the entry fees. 'Poppy loved the zoo and seeing all the animals,' said Tara. 'She'd never been to a zoo before.'

Street based youth work

During the last year, we updated and re-launched our Street-Based Youth Work training, resources and support.

It meant that more local Salvation Army centres could send groups of committed adults out into local community spaces. They could journey alongside young people where they were to deliver high-quality detached youth work.

Glenrothes - making connections

One innovative example of this was our work in Glenrothes in Fife where, at weekends, as many as 100 young people gathered in the park. Most were still at school, it was a way to let off steam.

In this deprived area, some of the young people said they didn't feel safe at home and that it was safer on the streets. Or they may have parents who were working all the time and they were home alone a lot alone.

Some of the local residents saw the young people as a problem, but The Salvation Army saw an opportunity.

We have been recruiting and training youth workers, people like Gemma Wallace. She said: 'We got to know a large group of young people at one of the local skateparks, in an area where violence and drug issues were present. Within a few weeks, relationships developed and conversations about school, family, drugs and alcohol were taking place between the team and young people.'

We continued to engage with young people all over Glenrothes and our weekly presence gives young people consistent access to help and advice if required, and safe adults to engage with.

Support with mental health

University years can be a time of unparalleled academic and personal freedom. But they can also be a time of huge pressure. One in four students has a diagnosed mental health issue, according to a 2023 report by the charity Student Minds.

Major Robert and his wife Major Julia Jepson lead a Salvation Army church in Nottingham. During the year, when Student Minds launched University Mental Health Day, Major Robert asked if he could put a Salvation Army stall. It led to him offering pastoral support.

Students of all faiths and none - referred by the university's wellbeing teams - could book an appointment online with Robert or one of the other 25 chaplains to discuss what's troubling them. The team also signposted students to other support services.

Robert organised a variety of outreach events too. 'The Salvation Army sponsored a breakfast club that we ran on campus for more than a year,' he said, 'and we had up to 130 students, predominantly international, attending.'

There was a 'wobble week' event to help students settle into university life after fresher's week was over. 'People talk to us about relationships, work, family, illness, mental health or even just share a joy or a happiness. My remit is to support the person as they work out where to go next,' said Robert.

Fists over Knives

According to figures from the Office for National Statistics, there were 55,000 sharp knife crime incidents in England and Wales in the year ending September 2024, an increase of 4 per cent since 2023.

The Salvation Army in Huddersfield supported a project to tackle child knife crime. The eight-week youth course focussed on exercise, healthy eating and non-contact boxing while raising awareness about the dangers of knife crime.

Most of the children were aged between 7 and 11, while some as young as 4 and 5 attended with their parents. The course was led by Mark Reynolds, who delivers school outreach programmes on knife crime. Majors Ade and Chris Lee, who lead The Salvation Army's Huddersfield church, were on hand during the sessions to support children and their parents.

Spotlight on: Youth Forum

In March 2024, The Salvation Army started something entirely new: the Territorial Justice and Reconciliation Youth Forum. The group of seventeen 14 to 25-year-olds are passionate about playing their part in the work of change.

Two of the young people, Matt and Hannah co-chaired the group, overseen by Joanna Taylor from our Children and Youth Department, Territorial Coordinator for Justice and Reconciliation Lieut-Colonel Nick Coke and Territorial Youth and Children's Secretary Lieutenant Jonny Whitmore.

The forum formed subgroups around three focuses: mental health, the climate emergency and modern slavery. They sought the advice and expertise of people in The Salvation Army who lead on these areas.

- The mental health subgroup explored how informed people in corps and centres were around mental health issues. For example, how could they support someone who might come to their corps for help?
- The modern slavery group worked with the Anti-Trafficking and Modern Slavery team, thinking about resources to help secondary school-aged children understand it, spot the signs and be advocates for change.
- The climate subgroup looked at the eco church model and how to help corps join that. They also considered individual responsibility for climate justice: how can we live a climate-friendly life with what we eat, wear and buy?

Matt said: 'It will be great to have the forum established as representative of what young people in the Army want to see the Army do, what justice and reconciliation look like to them, and having those voices represented and heard.'

Supporting families

The Salvation Army has historically understood the importance of family and family life. Today we seek to support families holistically in a way that is relevant for the 21st Century.

We recognise that everyone has value, belongs to the Family of God and that we have a responsibility to love one another as brothers and sisters in Christ. This is how we approach our work in communities all over the territory.

In this section we look at how important, diverse and innovative our work has been over the last year.

Speaking out on poverty

Working in communities around the territory, we see the day-to-day reality of what living in poverty means for many families. It is clear that insufficient family incomes are having a devastating impact - particularly on children.

This was underlined in The Joseph Rowntree Foundation's annual poverty report. It revealed that 'unacceptably high levels of poverty' persist across the UK, with 'economic security out of reach for millions'.

According to the report, UK Poverty 2025: The essential guide to understanding poverty in the UK, 14.3 million people were living in poverty in 2022 to 2023. Of these, 8.1 million were working age adults, 4.3 million were children and 1.9 million were pensioners.

Through our community work, we continued to do all we could do alleviate the dire impact of poverty. Making change at a national level is the responsibility of government and we urged them to tackle the widening gap between the welfare safety net and the cost of living.

David Betteridge, director of family ministries, said: 'Our broken social security system is out of step with reality, and needs fixing so that families can afford to keep a roof over their heads, as well as essentials like food, heating and clothing.'

The Salvation Army proposed that the government should start by reversing the two-child limit, a policy that is directly contributing to child poverty, and implement an 'essentials guarantee' to ensure benefits cover the cost of living.'

We also urged the government to reverse the planned freeze of the local housing allowance in April 2025, ensuring individuals on low incomes who are eligible for help receive the support they are entitled to; and to reduce the wait for a first universal credit payment, from six weeks down to two.

Food for thought

As the cost of living crisis persisted, there was a knock-on effect on people's ability to buy and cook healthy food. It wasn't simply the rising price of food itself, but other factors such as the cost of travelling to a supermarket, the expense of running a fridge or paying for gas. Families living in temporary accommodation simply didn't have adequate food storage or cooking facilities.

Across our corps and community centres, we offered people simple and practical support to help them put healthy food on the table.

Creative classes in Welling

A weekly cooking workshop encouraged participants to use typical ingredients in new and creative ways while building a set of recipes they were confident in. Participants tried new foods and flavours every week and made enough to feed more than just themselves. The corps were delighted it had been so successful and look forward to running another set of sessions.

Budget-savvy in Cambridge Heath

The corps partnered with Hackney Food Bank and Feast with Us for a six-week Healthy Eating on a Budget course. The programme, led by nutritionists and chefs, was primarily for food bank users, teaching them how to cook healthy and nutritious meals using items from their parcels.

The course culminated in a graduation ceremony and the award of a food hygiene level 2 certificate. Previous participants have continued to connect with the corps through volunteering.

George gives food bank a boost

To help struggling families, nine-year-old George used his pocket money, as well as £245 raised from a sponsored bike ride, to buy hundreds of items for the Goldthorpe Salvation Army's food bank. George knew about The Salvation Army as he had attended some of the corps' free activity days for children.

George said: 'I've got a lot of stuff and I know some kids haven't got a lot, so I thought if I give them something this would help them out. I hope other people will know what a difference it makes and will do it as well.'

Victory Programme launched in Keighley

The Victory Programme is a territorial initiative designed to equip corps to help people strengthen their cooking, budgeting and growing skills. At the same time, the course helps foster deep relationships in the community.

Keighley joined other corps who put on the six-week course, to teach simple cooking skills as well as helping people gain confidence and make new friends.

The programme launched following the success of Cook and Eat sessions, which helped more than 40 families. The hope is that these courses will help those who regularly use the food bank, which has an average of 40 to 60 clients a week.

Back to school

Spotlight on financial difficulties

'Some months are harder than others.
School holidays are the hardest.'
Catherine, parent.

For many families, the six weeks' holiday is a source of severe money worries. Children lose out on free school meals, parents face additional cost of new uniforms and there's the added cost of childcare for working parents.

A YouGov survey commissioned by The Salvation Army found that:

- 43 per cent of parents were worried about the cost of the summer holidays and/or preparing their children to go back to school in September
- 13 per cent of parents reported being very worried that they would not be able to afford essentials such as food and utility bills.

The Salvation Army called on the government to use its first budget to put families first so they can get the help they need. 'Children being able to enjoy the summer should not be a luxury,' said Lieut-Colonel Nick Coke. 'We don't want children to just survive summer holidays with three square meals and uniform that fits for the new term; we want them to thrive, play, explore and relax.'

While we encouraged the government to play its part, we continued to play ours by providing summer camps, playgroups, drop-ins and other activities for families struggling with the cost.

| **Read more about our summer camps for children of all ages on page 35 of this review.**

Pastoral support

At the Longton corps near Stoke on Trent, Lieutenant Chelsea Huddleston offered pastoral support to schoolchildren and parents as a chaplain at St Paul's primary school.

Staff at the school had been considering how to offer more support as the cost of living crisis continues to bear down on families. Lieutenant Chelsea visited the school on Wednesdays and supported families at the Gather and Grow community hub.

There was also a food and clothes bank and a community lending library, and Lieutenant Chelsea was looking to start a coffee morning at the hub on Wednesdays.

Lieutenant Chelsea said: 'The school wants to reach out to families as many wanted a place to gather together with others. It is a privilege to help the school build a welcoming space and all of us are very excited about developing the Gather and Grow space. Offering support to parents has a beneficial effect on their children too'.

Uniform approach

Data from the last few years shows that uniform costs are around £287 for a child in primary school and £422 for a child in secondary school (source: The Children's Society). For parents already struggling with the cost of living, it added to their financial worries.

Around the territory, our corps and centres came up with innovative ways to keep the costs down, and to calm parents' concerns.

▪ **School uniform hub - Shipley**

A Salvation Army hub, which offers school uniforms on a pay as you can afford basis, expanded its opening hours due to demand after supporting 400 families in 2023.

Last year, the hub provided uniforms for around 40 local schools as well as non-logo items, coats, stationery, sanitary products and football boots. It gave out 1,600 items.

The hub was open in term time on Mondays and Fridays and extended opening hours to every second Saturday in the month. It was also open through the school holidays

Captain Laura McLean, who leads Shipley Salvation Army, said: 'It's a major part of the support The Salvation Army offers to the community in Shipley and beyond. To see how many families it has helped over the years is fantastic. It's become an essential resource for so many in Shipley.'

'We couldn't do it without dedicated volunteers giving up their time, as well as the generous public who continue to donate uniforms and other items to us,' she added.

▪ **Uniform swap shop - Sudbury**

The corps held a free school uniform swap shop helping 144 people and there were opportunities for conversations and connections. This would not have been possible without the work of the amazing volunteers.

No home for domestic violence

Beacon Churches

We continued our partnership with the Christian charity Restored. Together we promoted the Beacon Church initiative, to provide a refuge for survivors of domestic violence and to journey with survivors on their road to recovery. Through our work, we demonstrated God's deep love for them.

Over the year, through advice, financial support and training, we equipped more of our churches to become Beacons. We saw the addition of Sydenham Corps Beacon Church in 2024, adding to the four already established; Sale, Stroud, Ballymoney with Limavady and Ireland Division.

Liskeard Corps was in the advanced stages of the process to become a Beacon Church with others expressing interest.

- Becoming accredited as Beacons showed that Salvation Army churches were willing to journey with victims and survivors of domestic abuse.
- It meant members of the church and local community felt confident to share their stories.
- Beacons were safe spaces to talk, find help and seek support.

New - plans were being drawn up for The Salvation Army to organise a 'Retreat Day' for survivors and to train volunteers to facilitate a survivor support programme.

Focus on... a new role

During the year, a new role, Beacon Church Development Lead, was created at Family Ministries department.

This role includes facilitating The Salvation Army's strategic response, expanding the conversation, and developing the exciting initiative of establishing corps and centres as Beacon Churches.

The Beacon Church Development Lead has much experience to bring to the role, having worked with victims and survivors for many years.

They emphasised that everyone has a role to play in effectively addressing the needs of all victims of domestic abuse and said. 'We must recognise that domestic abuse can affect anyone, and it is our collective responsibility to stand up and speak out against this evil'.

A family to refugees

Whether they fled war in Ukraine, persecution in Afghanistan, or sought asylum or resettlement, newcomers continued to face significant barriers to becoming fully included in UK society.

It remained challenging for several reasons:

- the political and policy environment
- an individual's background trauma, mental and physical health
- current financial pressures on local authorities, including housing.

These factors exacerbated the challenges people faced: regularising their status, learning English, accessing social support and employment, and finding housing. We saw very vulnerable people falling through the cracks leading to re-traumatisation, mental and physical-ill health and homelessness.

Recognised as a thought leader in this field, we were invited to contribute to the government's ongoing engagement on the development of policy in the areas of resettlement and community cohesion. We aimed to pave the way for a fairer, kinder and more effective systems of support for refugees and asylum seekers.

Warm welcome - and support

The Salvation Army provided a much-needed community-led approach to supporting these refugees and people seeking asylum.

We continued to develop our Welcome Hubs with 12 local corps hosting one of these community-led drop-ins. We facilitated over 15,000 occasions of welcome and support to newcomers to the UK.

In 17 places across the UK, we ran or hosted some form of English Language support. On average, around 170 people a week attended sessions to improve their English language - a fundamental aspect promoting integration.

Sharing our knowledge

We further developed the work of our Welcome Hubs to include running training for volunteers, Voluntary Service organisations and council employees who work in this area. They learned about the key issues affecting newcomers to the UK, as well as Trauma Informed Practice training and information. It helped them better prepare their communities to welcome newcomers well.

Co-ordinated support - Daniel's story

With processing and decisions made on asylum continuing to take a long time, refugees were often moved around the country.

Daniel, an Iraqi Christian convert, came to the UK seeking asylum. He had found a warm welcome at our Stepney corps, and had quickly become part of the church family.

But one day, Daniel received a letter from the Home Office telling him that he would be rehoused in Southampton the following week. On the day of the move, he was told he was going to Reading instead.

More uncertainty and upheaval can be difficult for people who are already potentially traumatised from their experiences. Not being able to build up local support networks, or not feeling safe and stable, can add to the problem.

With over 580 corps across the territory, we have created a unique network of support to help refugees and asylum seekers. Our geographical reach and local knowledge helped ensure that refugees were supported wherever they were.

Stepney corps contacted Reading corps and told them all about Daniel so we could promise Daniel that there would be a friendly face to greet him in Reading. Not only did he receive a warm welcome, Daniel is now thriving thanks to support from the corps community.

Ben Still, the territory's refugee response manager, co-ordinates the network. He hosted monthly online refugee response forums, open to anyone working with refugees and asylum seekers in their corps.

Captain Sarah Lister is part of the network, she said: 'It is important that we are aware of what is going on and to experience the Army as a 'whole body' that communicates and helps those in need, wherever they are situated or relocated to.'

Help to re-settle in

The Salvation Army was awarded the Lancashire council contract in 2021 to resettle 25 families across the Fylde Coast within three years, under the Afghan Relocations and Assistance Policy and UK Resettlement Scheme.

By the end of last year, we were on track to successfully rehome all 25 families across Lancashire within the three year time period.

Families had been referred from the council. Our aim was to help families make connections and rebuild their lives. Over the three year period, we kept in contact with the families, visiting three times a week in the first year and twice a week in the second year. During the third year, refugee families attended a drop-in for any further support they need to continue integrating into the community.

Alexandra Foden, service manager for Fylde Coast Refugee Resettlement Service, said: 'We are seeing people fully integrated into society and people who are thankful and grateful for being given a chance. Some have gone on to open businesses in the area, gain employment, qualifications and expand on their skills, and it is truly wonderful to see.'

Royal recognition

In December 2024, a Salvation Army minister's work in supporting asylum seekers and refugees in London was recognised by royalty.

Major Julie Pell, who is one of the church leaders at Walthamstow Salvation Army, was invited to attend a private reception for King Charles and Queen Camilla when they visited Waltham Forest.

Walthamstow Salvation Army community church runs a resource hub that each year helps approximately 2,500 people - a mix of families and individuals - to rebuild their lives by providing clothing, furniture and household items. Every Friday the church also opens a Community Living Room warm space.

Julie was invited to speak with the King about the work of Walthamstow Salvation Army. Afterwards she said: 'King Charles was very friendly and interested in what we all had to

say. He asked me what I would be doing if I wasn't at the reception, and I told him that I would be at our Community Living Room, which is open to anyone to drop into.'

Reuniting families - tracing service

Reconciliation is at the heart of the Christian message of salvation and our priorities as an organisation: to Seek Justice & Reconciliation and to Serve Others Without Discrimination.

The Family Tracing Service continued its work to create opportunities for reconciliation within families. It enabled people to live with a measure of peace within a loss which is often ambiguous, and experience increased wellbeing whether or not a reconciliation is the outcome.

Three key achievements:

1. Success rate of **86%** - reconciliation or knowledge of person sought.
2. **526 people** experienced reconciliation within their family.
3. Hundreds of people started a search with us (alternative services are not affordable for all).

The key to our service is that it is never a call-centre experience, it's always a personal one. Our dedicated and compassionate team listened, heard, helped, served and gave hope. This gave us the opportunity to start conversations that connected service users with The Salvation Army.

Service without borders

The Family Tracing Service continued to serve people living overseas too, where there is no access to a Salvation Army tracing service. Where there was a service, we worked with our colleagues across borders.

Stories of love

(cases which closed in 2024/25)

Lasting Love

We helped two elderly brothers to reunite after 20 years of no contact.

Like many siblings, the loss of a parent caused the brothers to drift apart after their parent's funeral had taken place. But later on, an illness became a resonant reminder of the separation. Time had almost run out, the brothers both experienced the joy of reconciliation in their later days.

Unconditional Love

We helped a child and parent reconnect after many years apart.

From the age of two, the child had had no contact with the parent. The child, now an adult, desired to make contact. To start with, Family Tracing forwarded letters between the child and parent, who was in prison. Eventually they met there, making an important and brand new connection after all those years.

Father's Love

We found a man's son, but sadly he'd lost his life.

Sometimes, the discovery of a person brings sad news. Our team worked with Family Tracing Salvation Army in France to locate a young person in the country, but he had died. We took great care when sharing news of the tragic death with his father and helped him with the shock of his bereavement.

Find out more - in 2025 we will be celebrating the 140 year anniversary of the Family Tracing Service. Learn about our unique service and its history
<https://www.youtube.com/watch?v=bPJVXOu-EQI>

Inclusion for people with a disability

One in four people have a disability. The Salvation Army aims cultivate an inclusive attitude and approach for people with a disability. We seek to empower disabled people to be actively involved in all aspects of what we do.

Here we illustrate some of the ways we have done this, over the past year.

Music man project

The Music Man Project is an award winning and fully accessible music service for adults and children with learning disabilities. It provides education, enjoyment and access to performance opportunities. The groups learn songs, how to play instruments and Makaton signs.

Across the country, The Music Man Project has developed opportunities for people with disabilities to build confidence and connect through music. Although developed for people with a learning disability it is open for everyone.

We continued to share the joy of The Music Man Project with more people with a disability. For example, in Wakefield about 60 people attended a Music Man Project taster day, bringing much fun, laughter and blessing. Corps officer Captain Terry Hendy said: 'To share our faith we need to make friends and what a way to make friends.' The corps planned to start a monthly Music Man group, as well as one at Royston, a few miles away

On another note... four of our Music Man Project groups, made up of 80 members and supporters performed at the Royal Albert Hall with Music Man Project groups from across the UK.

Enabled Summer Camp

Enabled provides spiritual and social fellowship for people with a disability and their carers. There were three new aspects to Enabled Summer School 2024.

1. It was renamed the Enabled Summer Extravaganza, as suggested by members.
2. We welcomed the highest number of newcomers for many years, with six new members and eight new supporters attending for the first time.
3. To fit everyone in, we relocated to a larger venue in Northampton, King's Park Conference Centre.

Appropriately, the theme was 'New Beginnings'. In our fellowship groups, we considered new beginnings by exploring the Bible stories of Ruth, Noah and the prodigal son.

The options for main activities were band, choir or timbrels followed by musicals, Music Man Project or - a new option for this year - video production. For the first time we also introduced an option to the Enabled choir with some people choosing Godly Craft as an alternative to crafts.

Some members also enjoyed exploring the area, including Northampton and Rushden Lakes. The final day saw members sharing what they have been practising all week, with music performances and a presentation by the video group.

All 102 attendees had a great week of faith, fun, fellowship and friendship. At the end, some suggested this was the best summer gathering ever! We will be back next year as we celebrate 50 years since our first summer gathering back in 1975.

What did attendees say?

‘We discover each other’s hopes, dreams, hurts, gifts and abilities.’ Karen, attended with her daughter Hannah

‘Everyone knew my name. From the minute I put my lanyard on, I felt that I belonged.’ Trudy, who attended in person for the first time.

‘It was fabulous, I would like to go again.’ Sam, who met lots of new friends.

Enabled - everywhere!

Over the year, 354 were members enrolled in our Enabled community. Outside of the Summer Extravaganza, members met up in person and online for Enabled at Christmas and our Easter Event. There were further events in Wakefield, Enniskillen and Kilbirnie

Spotlight on Strawberry Field

Strawberry Field has been in the care of The Salvation Army since the 1930s as a place that supports vulnerable young people and a site of spirituality and inspiration.

This legacy continues with The Salvation Army’s redevelopment of Strawberry Field to give young people with learning disabilities in Liverpool the chance to succeed and honour the site that inspired John Lennon.

We reflect on what has been happening at Strawberry Field during the past year. As some of this work is funded through The Salvation Army Social Work Trust, this is featured in the Annual Report for both trusts.

Steps to Work programme

The Steps to Work programme at Strawberry Field is a 12 to 18 month scheme. It offers young adults with learning disabilities - and other barriers to employment - the opportunity to gain skills and work experience, opening the door into paid work.

Step 1

Trainees were appointed a dedicated work coach who supported them for the duration. They also received emotional and pastoral care from the team.

Step 2

Trainees explored what they wanted out of life and work, and considered a whole range of industries. Our team liaised with colleges and partners organisations to set up vocational courses and work placements.

Step 3

The end goal was paid, sustainable employment. Trainees have successfully achieved this in an array of industries, from agriculture, conservation and construction to customer service, retail, hospitality and finance.

Last year, the programme saw nearly 60% of trainees moving into employment. This is 12 times the national average for people with a learning disability. It is three times the national average for people with autism. 88 trainees started the programme and 77 completed the programme.

Of those trainees who completed the programme:

- 44 went into work (as % of those completing the programme 57%)
- 13 went on to further study (as % of those completing the programme 17%)
- 2 were undertaking a formal volunteering opportunity (as % of those completing the programme 3%)
- 2 were continuing in meaningful job search activities (as % of those completing the programme 3%)

‘Some trainees have been told their whole life that they will never get a job or amount to anything. Then we show them, step by step, that they can work, and they will work, and they do great work.’

Adele Murphy, Strawberry Field’s Employment Development Co-ordinator

Two graduate stories

Alfie McKeown

Steps Outcome: Paid Work

Alfie came to the Steps to Work programme after completing an internship. Alfie had low confidence and struggled to see the natural skills he has for communication and teamwork.

Alfie gained paid work in retail with a supermarket chain weeks after starting his first work placement in the Strawberry Field shop.

Megan Thomas

Steps Outcome: Paid Work

Megan's life-changing journey to overcome self-belief challenges has seen her self-esteem and confidence grow, which has empowered her to embrace new opportunities. Her newfound independence has inspired her to aim for semi-independent living.

Megan's determination and resilience has transformed her life and inspires others. She is now working as a Catering Assistant at a national department store.

Giving us... a step up

The Strawberry Field site is famous worldwide because it inspired the Beatles' 1967 single Strawberry Fields Forever. Its writer, John Lennon, had grown up nearby and played in the grounds of the home as a child.

On the 9th October 2024, which would have been John Lennon's 84th birthday, Strawberry Field relaunched its photomosaic mural. This is a montage of photographs and as a fundraiser, fans were invited to place their image alongside Beatles legends, famous Liverpool faces and people from all around the world.

In the summer, Strawberry Field also displayed a rare vinyl acetate of John Lennon and the Plastic Ono Band's seminal hit record, 'Give Peace a Chance' and 'Remember Love', to mark its 55th anniversary. The record - one of only 50 in the world - was added to the visitor exhibition. It was kindly donated to us by Yoko Ono and Sean Ono Lennon.

Money raised from ticket sales for both exhibits went to support the Steps to Work programme, giving it a step up. The rare vinyl record went on to be sold, to raise more funds.

Awards and accolades

A winning partnership

In May 2024, we were thrilled to announce that Strawberry Field won a UniTemps LJMU (Liverpool John Moores University) External Engagement of the Year Award.

The award was accepted by Lynne Furlong, who runs our Learning Hub. Lynne did wonderful work with Liverpool John Moores University students, helping them gain experience to build their CV and stand out from the crowd when looking for employment.

The awards saw both students and employers awarded for their contribution to part-time work opportunities with Unitemps (a recruitment specialist service for students, graduates, and community members.)

Congratulations Eilis

Alongside our win above, Eilis who previously interned at Strawberry Field won Intern of the Year. There was a record number of nominations for Intern of the Year and the competition was stiff, so this award was a true testament to Eilis and her work.

An appetite for success

Strawberry Field won Café/Bistro of the Year at the Liverpool City Region Tourism Awards 2024. Also, for the second year running, we picked up the award for Small Visitor Attraction of the Year.

Mission director Major Kathleen Versfeld said: ‘Thank you so much to everyone who made these wonderful achievements possible, including our staff team, volunteers, supporters and visitors.’

Helping people experiencing homelessness

Whilst residential support for people experiencing homelessness is funded through The Salvation Army Social Work Trust, it is also subsidised through the Salvation Army Trust (for which this is the Annual Report). The overall strategy straddles both trusts so we are reporting on developments here and in the Social Work Trust’s annual report.

A year after The Salvation Army Homelessness Services Department (HSD) launched its 10 year Strategy ‘1,000 Voices’ we provide an update on progress.

Each area across the territory developed its own contextualised Strategy and Action Plans which is also aligned to the Territorial Strategy and Action Plan. The Homelessness Services Department (HSD) restructured in order to build capacity and work in a smarter way to meet the challenges of the new strategy. Here are some of the ways we did this:

- investment in Chaplaincy to ensure that all HSD services have Chaplaincy provision
- prioritising integrated mission which saw HSD offer increased community provision in coordination with our Corps.

In terms of our service delivery, we took the following steps:

- commissioned self-funded beds so that The Salvation Army can provide increased accommodation and support around UK and in Ireland
- invested in changing our large buildings into smaller, self-contained provision over the next 20 years
- increasingly developed services that are non-accommodation based
- developed a more formalised process for co-producing and involving people living in and accessing our services
- ensuring our homelessness services are delivered through a harm reduction and trauma informed lens. We have saved hundreds of lives this year with the increased roll out of naloxone prevention in our services.

Facing challenges

This year has been a turbulent external environment for funding but we kept our services open. We found new funding and self-funded services that were ‘at risk’ services. These were Local Authorities services which had withdrawn funding, due to the challenging financial climate and even potential bankruptcy.

Local responses to homelessness

Across the territory, The Salvation Army operates 48 supported accommodation services called ‘Lifehouses’. They are places to stay, get support with housing issues and also other aspects of life such as debt problems, training, addiction or mental health.

As well as this centrally-co-ordinated service, our corps respond to the local needs of people experiencing homelessness in their communities. Here are some examples.

Sleeping sound - Ilford

Malachi Place is a corps-led project providing supported accommodation. It has 42 beds, 15 of which have no recourse to public funds, so The Salvation Army provides everything.

They also provided holistic support, including support with housing, drug & alcohol support, mental & physical health support, money management, life skills, and employment.

Two residents, who used to work as painters and decorators, painted the entire building. They weren’t qualified to work at height, so we sent them on a course and they gained the qualification, which they can use in the future.

New housing - Jersey

May Cottages is a new housing development that saw the refurbishment of three once-derelect units. They provide safe, secure temporary homes for families in crisis and in danger of becoming homeless.

The cottages are in a suite of buildings that also houses a worship hall, a successful community café, a hub and a charity shop. So the residents have supportive neighbours.

Pop up clinic - Penzance

The corps partnered with NHS Cornwall to host a pop-up clinic for people experiencing homelessness. For many rough sleepers, accessing basic healthcare and personal care services can feel like an insurmountable challenge.

The clinic offered a range of services, including health screenings, liver scans, mental health support, ear care, foot care and haircuts. Vaccinations, emergency dental and sexual health appointments and refreshments were also available. Everyone who attended received a £5 supermarket voucher

Sleep pods - Peterborough

Three sleeping pods were installed outside the corps' hall after *Light Project Peterborough*, a Christian homelessness charity, secured funding from the Department for Levelling Up, Housing and Communities and the city council.

Each pod contained a single bed, shower, toilet, sink, window, storage and radiators. Staff and volunteers at the corps supported pod users with hot meals, regular visits and invitations to church activities. Weekly meetings will support users with action plans and daily activities.

Corps officer Major Gary Chaundy said: 'This project has shown that ending homelessness is about partnership working and a recognition of the importance of providing safe, supported environments.'

Warm welcome - central and local response

During the winter, The Salvation Army worked with councils to provide emergency beds and outreach support to prevent people from freezing to death on the streets during the extremely cold weather.

Emergency beds were available across England and Wales to keep rough sleepers warm, as part of the national warning system known as the Severe Weather Emergency Protocol (SWEP).

The SWEP is triggered when temperatures drop to zero or below, or weather conditions deteriorate drastically - making it extremely hazardous for rough sleepers.

The Salvation Army's Assistant Territorial Director for Homelessness, Malcolm Page, said: 'We're maximising any available space within our homeless Lifehouses to create safe, warm environments which can be accessed by people who remain on the streets. Many of our community churches are open to offer practical support such as hot food, clothing and a friendly face.'

Read more about The Salvation Army's commitment nationally, to reduce, prevent and end homelessness in The Salvation Army Social Work Trust (Charity Registration number 215174) a 'sister' publication to this one.

Thoughtful friend to older people

Grey hair is a crown of splendour; it is attained in the way of righteousness.
(Proverbs 16:31 NIV).

Almost every country in the world is experiencing growth in the number and proportion of older people in their population. In the UK, the ONS estimates that, by 2045, 4.3% of the population will be over 85 years old.

These longer years are not necessarily lived in good health, and health challenges are increasingly common in later life. It is estimated that the number of over-65s needing help with one or more daily living tasks is projected to rise by 48% over the next 20 years.

The Salvation Army provided services where older adults received the support needed to thrive and age positively and experience a real sense of 'life in all its fullness, with Jesus'.

We do this in practical ways, but also through spiritual, social and emotional engagement.

Caring in our communities

During the year, more than 185,000 older people attended some form of weekly club or programme at one of our 589 corps or centres. That was around 3,600 people per week.

Across the territory we ran just under 300 clubs and programmes for older people. Just under half of all our corps and centres ran some kind of club or programme. Many of our clubs had members who were aged well into their late 80s and 90s.

We can report that the overall number of programme and clubs remained relatively stable and resilient.

- Craft / hobby-based clubs e.g. gardening clubs, book clubs, walking clubs.
- Lunch clubs
- Cafes
- CAMEO (Come And Meet Each Other) clubs
- Community choirs
- Momentum
- Singing by Heart
- Day trips / holidays
- Health and wellbeing programmes
- Study opportunities
- Volunteering opportunities
- Deepening fellowship including regular prayer, bible reading and worship.

Here are some examples of some new activities.

Memory Lane - Darlington

An activity café offering support to people affected by dementia and their carers was launched at The Salvation Army in Darlington.

The café is hosted by the corps and home care providers Home Instead, provided a safe and friendly environment for people living with memory loss. Dementia can be a very isolating condition so we wanted to bring people together, whether they are living with it or caring for someone who is.

Activities included singing, armchair exercises, crafts and games. It was supported by Darlington Borough Council's Move More scheme. Plans were put in place to work with more groups in the community, such as colleges, to help raise awareness of dementia.

Major Shirley McKenzie, who leads Darlington Citadel Salvation Army, said: "Research shows activities like singing can help reduce anxiety and depression, enhance quality of life and

help with memory. We want people to have fun and join in with as much or as little as they wish, but we hope they leave with a smile on their faces.

Exercise classes - Gateshead

Exercise classes provided by Gateshead Salvation Army proved to be transformational by improving older people's mobility and helping them recover after cancer and hip operations.

The classes, provided by Active Families, included chair fitness with timbrels, stretch bands and shakers. The aim of the classes was to help ensure people keep fit and healthy, reducing the risk of heart disease and strokes. Another goal was to help older people improve mobility so they could move with ease around their home. This was to reduce the risk of falls or improving recovery from falls and ultimately allowing them to keep their independence for longer.

"We also see the mental health benefits exercise can bring in improving mood. The classes are fun and collaborative, bringing people together in a safe environment to make friends and help tackle isolation and loneliness," said Ann Humes, Salvation Army Community Manager.

Feedback from participants included:

'I am 90 and had a hip operation. The class helped me get more mobile after my replacement.'

'I am in recovery from cancer and find it helps my neuropathic system.'

"I feel I get my weekly mood fix here and love the friendly atmosphere.'

Singing by Heart - Hadleigh Farm

'Singing By Heart' uses a mixture of secular and religious songs which span the decades. The sessions are designed to encourage communication, recollection of memories, and fun for those taking part.

The power of music, especially singing, to unlock memories is an increasingly key feature of dementia care as it seems to access parts of the brain that remain unaffected by the progression of dementia.

We also hoped carers will find the sessions beneficial through enabling time for them to relax, make friends and share experiences.

In October we shared the news that a new Singing by Heart group had been launched at Hadleigh Farm. The twice-monthly sessions proved popular with older people and carers alike. It pushed the number of Singing by Heart programmes to nearly 100, across the UK.

National initiatives for older people

As well as our strong programme of corps-based support for older people, we provided round the clock care for up to 417 older people in our 11 care homes. We continued to advocate for the older people on the issues that matter to them, such as loneliness and isolation.

No One Alone project

Many people struggle with loneliness or social isolation. Through this project we encouraged corps and centres to engage in opportunities for greater local social cohesion.

Read more - we elaborate on these national aspects of our work in our sister Report & Accounts for the Social Work Trust.

OUR PARTNERS AND SUBSIDIARIES

The Salvation Army Trust has two subsidiaries: The Salvation Army General Insurance Corporation Limited (SAGIC) and Salvation Army Trading Company Limited (SATCoL).

SATCoL subsidiary - for planet and people

Salvation Army Trading Company (SATCoL) is the trading arm of The Salvation Army, raising money for charity through its nationwide reuse and repurposing schemes. It is a significant expression of the Salvation Army, with 1,200 employees and 5,000 volunteers.

In the year ended 31 March 2025 SATCoL generated **more than £11 million** through the retail gift aid scheme operated through its shops. SATCoL is a subsidiary company and publishes its own reports and is consolidated into the financial results of The Salvation Army Trust in this report.

Facts about SATCo

- Largest charity-owned textiles collector in the UK - **9000** clothing banks.
- Helps organisations, including **ASDA and Cotton Traders**, to reduce their carbon footprint.
- Uses **technology** to sort donated clothing, so more can be saved from landfill.

During the year, SATCoL continued to work towards its goal: to lessen the impact on overflowing landfill sites by **extending** the useful life of products and **recycling** the items not suitable for resale. They did this through a diverse range of initiatives, and we share some highlights of their year below.

World first in Kettering

In the UK alone, 300,000 tonnes of textile items are discarded into household waste, including polyester.

To find a solution, SATCoL and Project Plan B created a joint venture, called 'Project Re:claim'. In April 2024, they were proud to announce the opening of their ground-breaking polyester recycling plant in Kettering, East Midlands.

It is the first commercial-scale, post-consumer polyester recycling plant of its kind. It creates polyester pellets which are spun into yarn for use in textiles along with other industrial applications. The plant was on track to recycle 2,500 tonnes of unwanted polyester in 2024, with a further 5,000 tonnes in year two.

Majonne Frost, Head of Environment and Sustainability at SATCoL, said: 'Together we are working to bring new solutions and services, at scale, that will help create a textile circular economy.'

Tim Cross, CEO of Project Plan B added: 'It's a carbon saving, planet saving solution, and it plays a significant role in helping our collective journey to Net Zero.'

Watch video - see our amazing polyester recycling machine in action!
<https://www.youtube.com/watch?v=ZUld4l1IGsY>

Tesco trial #RuinedNotWasted

In September 2024, SATCoL ran a trial partnership with Tesco to reduce textile waste. Across England, 18 new textile banks were placed at Tesco sites. People were given the choice to separate their items into two differently labelled textile banks:

- wear again - for reusable items
- worn out - for non-reusable items.

Rather than being wasted, recyclable textiles were collected and reprocessed at scale, using innovative technology to repurpose textile fabrics and fibres back into new products.

Bernie Thomas, Circular Economy and Sustainability Manager at SATCoL said: ‘Separating items in this ways, at source, could help make sure that worn-out textiles are given a second life.

Make do and mend

One of The Salvation Army’s core missions is to care for creation. To teach the importance of upcycling and repairing goods, SATCoL opened a monthly repair café at its donation centre In Gorseinon, Swansea.

As a community hub, the repair café also encouraged repairers to pass on important restoration skills. ‘We encouraged customers to sit with them to learn, empowering them to do it for themselves,’ said Majonne Frost, SATCoL’s Head of Environment and Sustainability.

Three ways the project helps

1. Saves carbon emissions from the production of new items
2. Saves people the cost of buying new items as the cost of living crisis continues
3. Brings people together to develop skills and find new friends.

Items saved from landfill

- Clothing
- Household electronics
- Toys
- Furniture
- Bikes

There are now plans to establish another café in Coventry with support from Repair Café International. ‘The main thing you will need to get started are some enthusiastic volunteers,’ Majonne said. ‘Once you get up and running there are bound to be other volunteers who come forward.’

Too good to waste - GiveITBack

In February 2025, we provided an update about GiveITBack, SATCoL’s scheme to recycle electronic items securely and sustainably.

As businesses, schools and individuals upgraded or replaced items, like computers, they often didn’t know what to do with their old ones. ‘But they wanted to dispose of them in the right way,’ said Richard Shea, SATCoL’s Commercial Development Manager.

Turning waste into hope

Richard reported that, out of all the items GiveITBack handled, roughly 30 per cent were reused. The aim is to get that to 50 per cent. These items can then be sold in SATCoL shops or Donation Centres. It raises vital funds for The Salvation Army's charitable work.

The repurposed computers also helped people in the community. At its Gorseinon and Coventry Donation Centres, SATCoL launched a Connection Booth that provided a space with repurposed GiveITBack computers.

In partnership with The Salvation Army's Employment Plus service, GiveITBack provided an opportunity for self-led training, upskilling and job applications. 'We hope to do something similar in more places,' added Richard. 'That could include, for example, Anti-Trafficking and Modern Slavery safe houses.'

Tried and tested

SATCoL is working towards becoming a fully accredited IT asset disposal (ITAD) provider. 'We'll be the first major charity retailer in the UK to have that accreditation,' said Richard.

SATCoL - a leading light

Charity Retail Awards

The ceremony was held at the Harrogate Convention Centre in June, 2024, as part of the Charity Retail Association Conference.

The prestigious **Outstanding Charity Retailer of the Year** award was presented to SATCoL. Managing Director Trevor Caffull said: 'We are grateful to our fantastic retail teams who are committed to ongoing improvement in our service to donors, customers and communities, including the fulfilment of our mission to help those in need through initiatives such as our vital free clothing voucher scheme.'

SATCoL also won the **Environmental and Sustainability** award, reflecting the heavy investment in world-leading innovations including Project Re:claim, the world's first commercial-scale polyester recycling plant (see page 54).

Drapers Sustainable Fashion Award

Source: <https://salvationarmytrading.org.uk/news/drapers-sustainable-fashion-award-win/>

We were proud to announce that SATCoL had won a Drapers Sustainable Fashion award. The market-leading awards programme shone a spotlight on best practice within the industry and celebrated positive change that took place over the past 12 months.

The award recognised SATCoL as **Best Social Enterprise or Charity Initiative**. SATCoL was described as 'phenomenal' and 'the most innovative in terms of getting value out of everything'. Our nomination highlighted several aspects of SATCoL's ongoing reuse and recycling work, which you've read about in this review.

SAGIC

The Salvation Army General Insurance Corporation Ltd (SAGIC) is a wholly own subsidiary of The Salvation Army Trustee Company (SATCO) providing captive insurance services to SATCO. SAGIC are the primary insurer of all property and liability risk for SATCO and associated group entities. Where SAGIC are unable to provide insurance services directly

they serve as an insurance broker, ensuring all the insurance needs of the organisation are serviced.

Alongside this, SAGIC offer insurance products to the public, other businesses and charities. Offering insurance product that give customers the opportunity to support the work of The Salvation Army.

SAGIC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority (Reg.No: 202327).

Our housing partners - Salvation Army Homes

During the year, Salvation Army Housing Association (saha), a subsidiary of The Salvation Army Social Work Trust, rebranded to become Salvation Army Homes. ‘We’re privileged to be part of the Army family and we want to be linked more closely,’ said its Chief Executive, Lynne Shea.

Salvation Army Homes is a diverse specialist provider of supported housing across England, managing or owning more than 4,000 homes. They provide supported housing and community solutions to homelessness in conjunction with The Salvation Army. Their principal focus is providing services to rough sleepers, young people experiencing homelessness, young mothers, families and ex-offenders.

Their new name is accompanied by the words ‘Safe Homes, Transforming Lives’. It’s a simple statement of their mission: to help some of the most vulnerable people in society feel safe, secure and happy in permanent home.

Alongside the locally driven, locally responsive work, Salvation Army Homes works alongside The Salvation Army in our work that is centrally coordinated and managed.

Read more about The Salvation Army’s commitment nationally, to reduce, prevent and end homelessness in The Salvation Army Social Work Trust (Charity Registration number 215174) a ‘sister’ publication to this one.

THE AMAZING COMMITMENT OF OUR SUPPORTERS AND FUNDRAISERS ACROSS THE UK

The ethos of our approach is that fundraising activities must reflect our values and be carried out in a manner that the public, our supporters, and our funders would expect of The Salvation Army - sensitive, courteous, sincere, and genuine.

We maintain an active fundraising presence through digital media and our website, regularly reviewing our Privacy Notices and Statements to ensure full compliance with GDPR. In 2024/5 we did not use professional fundraising agencies such as outbound telemarketing agencies or face-to-face/street fundraising agencies to raise funds on our behalf. Our public, street and house-to-house cash collections are normally carried out by members and volunteers connected with our congregations.

At peak times, particularly at Christmas when donation call volumes are very high, we use an external agency to handle some inbound telephone donations and to call back supporters who have contacted us when our in-house capacity is exceeded. All calls are monitored, and we set high standards for the training and support given to agency staff to ensure that every interaction reflects our values of kindness and respect.

Fundraising Standards

We subscribe by annual levy to the Fundraising Regulator and uphold the standards of the Code of Fundraising Practice. We are not aware of any failures to comply with the standards of any regulatory body. In addition, we are members of the Data and Marketing Association and corporate members of the Chartered Institute of Fundraising. As such, we uphold the highest levels of compliance and fundraising standards.

Fundraising on Our Behalf

Where individuals or organisations offer to fundraise on behalf of The Salvation Army, we ensure that a contract or agreement is in place and that the relationship, performance, and delivery are overseen either locally or centrally. This oversight helps us ensure that all fundraising conducted in our name is aligned with our ethos and values.

Monitoring Fundraising

We continually update and strengthen our internal processes and policies to ensure the highest ethical standards in accepting and processing donations. Salvation Army officers and corps treasurers monitor fundraising carried out locally by members of the congregation and volunteers. Any donation in excess of £25,000 from a single source or related sources is reviewed and assessed by headquarters in line with our donations acceptance policy.

Complaints

We received 100 complaints about our fundraising, compared with 121 in 2023/24. While this represents a very small proportion of our overall supporter interactions, we treat every complaint seriously and view them as an opportunity to learn and improve.

All complaints are handled in line with our Complaints Policy, which reflects the standards set by the Fundraising Regulator and is available publicly on our website. We aim to acknowledge all complaints within three working days and resolve them within ten working days.

This year, the main themes were:

- Frequency of communications
- Dislike of fundraising method
- Content of campaign

Other complaints were more isolated in nature, relating to fulfilment, permissions, addressing accuracy, and tone of appeals.

Actions Taken

- Refreshed training and monitoring to ensure communication frequency reflects supporter preference.
- Reviewed the use of specific fundraising methods and provided additional guidance to staff and volunteers.
- Strengthened campaign content sign-off processes to ensure clarity and alignment with our values.
- Improved fulfilment oversight and coordination to minimise errors or delays.

Trustees receive an annual update on fundraising complaints, and Directors are briefed quarterly on complaint trends and actions taken, ensuring ongoing compliance with Charity Commission guidance and the Code of Fundraising Practice. The consistently low level of complaints reflects the sincerity of our approach and the confidence placed in us by supporters.

Protecting People in Vulnerable Circumstances

As a church and charity working with some of the most vulnerable and marginalised people across the UK, we take the protection of people in vulnerable circumstances very seriously. We have a dedicated policy, created in collaboration between our fundraising, supporter care, and compliance teams, to ensure all donors are treated fairly, sensitively, and respectfully.

We provide tailored training for fundraising staff to ensure this policy is understood and put into practice. Because we do not currently use external ‘professional fundraisers’ to fundraise on our behalf, we retain direct control of how appeals are conducted.

Our supporters make an essential contribution to the life and work of The Salvation Army. The relationship we have with them is precious, and our behavioural values of integrity, accountability, compassion, and respect guide every interaction.

Our centralised fundraising programmes

Individual Giving

We continue to generate significant sums from both our existing, loyal donor base and from new supporters. This year, we inspired over 96,000 new donors to support our work through our centralised appeals programme for the first time. To ensure continued growth, we expanded the team, onboarded new suppliers, invested in data insight, and introduced new activity. Our biggest project was the launch of a multi-channel campaign to recruit new regular givers. We have worked hard to engage and steward our existing supporters by taking on-board supporter feedback, optimising supporter journeys, and testing more personalised messaging. Our Christmas appeal remains as our flagship campaign, and we were thrilled by the continued generosity of our supporters and the general public.

Appeals to the public

Despite the continuing difficult economic environment, we saw incredible generosity towards The Salvation Army. We received a total of £78.9 million in donations from the public, secured by national and centrally co-ordinated fundraising activities, about which we share a little more detail below. As noted above, in addition, approximately £17.7 million was raised locally by individual Salvation Army corps.

We know times are tough for all, so we are incredibly grateful that our supporters and the general public continued to give so generously. Total public and supporter donations in response to our national appeals programme came to £52 million. This figure is up on the previous year - we are sincerely thankful.

Our national Christmas Appeal remains a key moment in our fundraising activity, raising an incredible total of £21.7m and recruiting 96,000 new supporters.

Church fundraising drives

We support Salvation Army corps to raise funds in their local communities, helping them strengthen their mission and impact. A key part of this is through The Big Connection Appeal, which brings people together to give and support our social work. This year, we've also piloted a new regional role (see below), designed to provide corps with more hands-on fundraising support – from appeals and events to developing new initiatives – so they can flourish and grow their community presence.

The Big Connection

In 2024, we introduced a new name for the territory's annual appeal: The Big Connection (previously known as The Big Collection). It may have looked like a subtle name change but it signified a shift in focus. We encouraged salvationists to reach out and connect with their communities. Raising funds to support our mission has always been our goal, now engagement is an important part of that gift too. Here are some examples.

Making connections... in Carmarthen, Tenby and Haverfordwest...

As well as collection tins, the corps raised funds through putting on concerts and events. Their fish and chip suppers included added fun of a quiz. Corps officer Lieutenant Jamie Jones highlights the connections made during these suppers: 'We invite all our volunteers and celebrate them that evening. Their families come to celebrate too.'

Self-Denial Appeal

Our annual event saw Salvationists coming together to do something really simple. Through the Self-Denial Appeal they went without something to support The International Salvation Army. And they raised **over £1 million** towards this vital work.

Helping Hand Appeal

The Helping-Hand Appeal is a Salvation Army congregation-based appeal which was the inspiration of Colonel Olive Booth during the Second World War. Today it is run annually in collaboration between the Family Ministries Department and International Development UK.

Each year, the theme rotates between anti-trafficking, clean water, food security and gender justice. The money is used specifically for things such as drilling boreholes, agricultural training, awareness raising and vocational skills training.

The 2025 appeal's focus was on food security. Specifically, it focussed on stories from The Salvation Army's Raising Champion Farmers project in Zimbabwe, which aims to strengthen the resilience of farmers in the face of an increasingly unpredictable climate.

Church & Community Fundraising Pilot

Launched in September 2024 in the South East and Yorkshire & Humber divisions, the pilot was designed to strengthen local fundraising and enable corps missions to flourish. In its first year, support has ranged from Christmas appeals and summer camps to bigger initiatives – including raising funds for a new community outreach vehicle in Ebbsfleet, which now helps the corps connect with isolated communities. Another project supported the launch of a coffee shop that doubles as a training space and community hub. Alongside these

successes, the pilot has introduced fundraising drop-ins and a new “fundraising opportunities form,” giving corps practical, tailored advice. By September 2025, it had secured **£59,187** in funding while building valuable insight into how best to unlock local fundraising potential.’

Individual fundraising efforts

Thousands of individuals put their time and energy into supporting us across the UK. While we cannot mention everyone here, we give a flavour of their determination and ingenuity.

Jumping for freedom!

Two survivors of modern slavery joined Team Sally Army to skydive to help other survivors.

One of them was Fauzi. He was tricked into leaving home by false promises of well-paid work to support his family in Uganda. He found himself forced to work in factories and construction sites with no breaks and his wages and documents withheld.

The Army provides specialist support for all adult victims of modern slavery in England and Wales. With our help, Fauzi now lives in a safe house where his support worker is helping him to rebuild his life.

‘The Salvation Army has provided me with a sense of purpose, community, and support. I want to skydive because I believe in their mission of helping those in need.’ Fauzi

Pedal power

In June 2024, footballing legend Les Ferdinand joined Team Sally Army for the London to Brighton cycle challenge. Other intrepid riders included Roy and Ricky who also tackled the 55-mile challenge.

Optimism of youth

Eight-year-old Teddy, with help from his school and The Salvation Army charity shop in Mexborough, donated 33 sleeping bags and £350 to support people facing homelessness in Sheffield.

Teddy’s headteacher said: ‘As a member of our pupil parliament, he has shown exceptional empathy and dedication.’ Teddy presented the donations to Chaplain Paul Huggins.

Role of our vital volunteers

Volunteering with The Salvation Army helps us to make a difference to the lives of some of the most marginalised and underprivileged people. Volunteering is the beating heart of the Salvation Army, with many thousands of people freely giving their time and energy during the year.

Many volunteers are the heart of many small corps and community activities. As they provide a familiar face at the church hall, cafe, food bank etc. The work is vital because it allows the human touch through faith supporting the corps activities.

We provided advice and training on volunteer recruitment and management to help corps and centres make the most of the benefits of volunteering.

We also started to implement a national database, called Rosterfy, to help introduce significant efficiencies. The outcome will save us time and money and ultimately enhance our capacity to manage and engage our volunteers effectively.

Volunteers Week - 3 to 9 June 2024

During the year, volunteers helped us keep The Salvation Army's vital community services running. It included helping in our charity shops, providing friendship and care to older people, cooking meals for people forced to live on the streets, supporting survivors of modern slavery, running baby banks and much more.

Lydia Kibaara, Volunteer Manager at The Salvation Army said: "As we mark Volunteers' Week we want to say a huge thank you to all the wonderful volunteers who give up their time to help The Salvation Army support the most vulnerable people in our society and help us deliver our mission to love God and love others'.

Volunteers' voices

Below, we meet some of our volunteers and hear how they have contributed so greatly to our cause in many ways.

Wetherby

For the last 20 years, Pat, 77, had sold War Cry - The Salvation Army's official magazine at Wetherby markets. Last year was no different. She said volunteering has really helped confidence.

She said: "I am here come rain or shine, I hide under a shelter if the weather is bad or I will go in the café because people know I am there, everyone knows where to find me. I can see myself doing this forever."

Guildford

Source: <https://www.salvationarmy.org.uk/news/salvation-army-thanks-volunteers-spreading-christmas-cheer-0>

For the third year running, volunteers from National Highways helped pack food parcels for families and individuals in need.

Tom Harding, Programme Support Manager for Major Projects Southeast said: 'Since we've come along to help, I think The Salvation Army has been able to scale up their operations with the number of bags they can pack and the number of people they can help. As a company, we're not just here to build roads. We like to help in our local area and this really speaks to that.'

Edinburgh

Source: <https://www.salvationarmy.org.uk/news/age-just-number-say-married-volunteer-couple>

Salvation Army volunteers Mary and Martin Dore, 82 and 86 respectively, marked nine years of selfless service at the church and charity's foodbank in the Gorgie area.

Mary and Martin handed out food parcels and provided a listening ear to struggling families and individuals. The couple have no plans to slow down and say helping others is their way of putting their faith into action.

Martin said: 'We can help direct them to different support, such as The Salvation Army's Debt Advice Service, which provides valuable help to enable people to get their lives back on track.'

Major Donors

The team secures donations from generous supporters able to make substantial individual donations and raised £2.38 million, or £2.73 million including Gift Aid, surpassing their original target of £1.5 million by £880,000 (£1.23 million with Gift Aid). One standout gift was a generous £100,000 donation to the Women's Refuge Centre in Shepherds Green, supporting vital work with women in crisis.

Grant-Making Trusts and Foundations

During 2024/2025, we received over £2.6 million from 641 charitable trusts and foundations and these donations supported over 157 Salvation Army Divisions, Corps and Services across the 4 nations of the UK.

We are very grateful to every trust and foundation that supported our work during this period. The grants we receive support both capital and revenue projects and help thousands of people. These projects include debt advice services, anti-trafficking and modern slavery projects, lunch clubs, toddler groups, young people's work and homelessness and addiction services.

Our Dunbar Debt Advice Service is just one example of a project which was fully funded by philanthropic donations in 2024/25. The service provides vital support to people who are struggling with the physical and emotional constraints of debt. Increased community need and demand meant that this service needed to be expanded and required a Debt Advice Co-ordinator to run the service and support the growing number of volunteers. Our trained advisors provide personalised support to help each person manage their finances, reach the root cause of their situation and relieve the pressure of debt.

Corporate Partnerships

A standout contribution was a Christmas donation of £120,000 from Kirstall Ltd, which helped us fund the Ebbsfleet Mobile Space project which brings vital services directly to where people live, work and gather. The mobile space will provide a welcoming environment for community support, advice, activities, and pastoral care. Housed within an exhibition vehicle, the space is set to hit the road in Spring 2026, mobilising community engagement in a fresh and impactful way.

Our ongoing partnership with The Entertainer once again brought joy to thousands of children during the festive season. Through this collaboration, over 4,500 toys were delivered to nearly 2,000 children, ensuring each child received at least two to three presents, making their Christmas truly special. Additionally, The Salvation Army Social Work Trust launched a new £60,000 partnership with Uber. This partnership aims to enhance the mobility of beneficiaries from our Employment Plus and Homelessness services, supporting their journey towards sustainable employment.

Other generous donations included £50,000 from Electro Detectors Ltd, £25,000 from Wallace Contracts (NI) Ltd, and £25,000 from Savills Plc. As part of their ongoing partnership with the Steps to Work programme at Strawberry Field, Ford Philanthropy also generously donated.

We are deeply grateful to all our corporate partners for their continued support, which plays a vital role in advancing our mission and reaching more communities in need.

Legacy and In Memory

Legacies are a vital source of income for our work supporting marginalised and vulnerable people in communities all over the UK. We received a total of £84.4m (£66.9m unrestricted

and £17.5m restricted) in legacies last year, an increase of £0.1m compared with legacy receipts in 2023/2024. This means that 24 per cent of our total income is made up of legacy gifts from our existing supporters and members of the public with a connection to our cause

Promotion of our free Will writing services resulted in almost 900 more amazing supporters choosing to include The Salvation Army in their Will. One supporter told us “If we can do a little to help somebody else, it would be worthwhile. The Salvation Army is a consistently helpful presence in the world, worthy of support from those who have the means to give”. Activity over the year generated a fantastic £27m in future income which will ensure we can meet the increasingly complex needs of society in years to come.

Donations made in memory of a loved one are also hugely appreciated and kind donors made donations directly and through collections made by funeral directors, contributing £557,000 in 2024-25.

We are hugely grateful to everyone who chooses to pledge to leave a gift in their Will or make an in memory donation in support of our work.

LOOKING FORWARD WITH AMBITION AND COMMITMENT

As a church and a Movement, we live in the communities we serve. We understand the problems and the symptoms that affect everyday life. We understand the wider issues that impact our society, such as homelessness, addictions, slavery, and the importance of employment. We are committed to putting faith into action and doing something.

That is why we are such an agile, responsive, and constantly evolving and adapting organisation. This report has illustrated how we responded afresh in 2024/2025.

Looking ahead, we will continue to adapt and innovate to meet current and new needs. A critical feature as we move forward is to do whatever we can to enable our front line, or local mission delivery as we call it, to flourish. With effective resourcing, support and oversight, our continuing intention is to enable this ‘flourishing’ of the mission of The Salvation Army locally.

We will continue to provide essential funding for our corps and community centres to enable them to innovate, develop and continue to meet needs that are not being met.

We will continue to support The Salvation Army Social Work Trust to enable it to provide the best possible support for people in our residential centres and those who engage with or are referred to us for support and, in the case of modern slavery and human trafficking, protection and a fresh, safe new start.

We will continue to ensure local mission is supported from our territorial and divisional headquarters in the ways it needs to ensure effective, efficient, and compliant ministry, including financial controls, safeguarding, safe mission (health and safety), staff development and training and effective procurement.

We will continue to build on the work of the Structural Co-ordination and Design Project by maintaining a culture of continual improvement across the territory with a real commitment to address any organisational issues that are obstacles to enabling local mission to flourish.

We will continue to invest in funds that allow innovation and will continue to invest in our fundraising to ensure we have a stable and sustainable future to serve our communities.

With changes in society, we will look at how we can ensure that we are encouraging different forms of church leadership and membership so we can move with the times but maintain our distinctive ethos.

Above all, we commit to ensuring a meaningful presence across the UK, to making a difference in people's lives in practical and spiritual ways. Our commitment to 2025 and onwards is to continue to strive to deliver our vision: 'Fullness of life for all with Jesus'. That is our driving force and our goal, and that vision sets the strategic direction for each of our corps and community centres and directs the support that our territorial and divisional headquarters will provide.

GOING CONCERN

Salvation Army Trust, like other charities has continued to weather the financial impact of global economic factors, particularly the high inflation rates on our cost base plus the related cost-of-living crisis. At the time of writing, inflation in the UK is 3.6%. The Bank of England projects that inflation will fall to around 2% by mid-2026, but this remains a watching brief with the current instability arising through the trade tariffs being imposed by the USA and the global political unrest. With the current interest rates, reducing at a much slower pace, unemployment is expected to increase as the economic growth forecast is expected to decrease. The organisation anticipates that the economic environment will continually be challenging especially against the backdrop of the current socio-economic and socio-political climate.

Financial projections and other supporting financial models that detail potential financial impacts of this economic environment upon The Salvation Army Trust, as well as furthering the scenario planning to assess the potential short-, medium- and long-term financial implications of other risks and opportunities. However, this is currently undertaken on a lower-level scale.

Looking ahead, we plan to better utilise the financial reserves to support the organisation and where necessary invest in strategic priorities. This financial year 2024-25 saw us continuing to spend on our strategic aims. The closing unrestricted reserves were £361m (2024: £371m) and the cash and bank balances were £24m (2024: £89m) due to the movements in operational working capital. Based on cash flow forecasts prepared covering the period to 31 March 2027, the directors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of approval of these financial statements and are not aware of any material uncertainties that may adversely affect the organisation. Accordingly, the financial statements will continue to be prepared on the going-concern basis.

MODERN SLAVERY AND ANTI HUMAN TRAFFICKING STATEMENT

As The Salvation Army in the United Kingdom and Ireland Territory we hold a zero-tolerance stance on acts of modern slavery and human trafficking and on any breach of our Ethical Policy and will not condone any such action by our contractors, suppliers, or consultants. We take this issue very seriously and are committed to preventing acts of modern slavery and human trafficking from occurring within our supply chain. Our Procurement Ethical Policy is integral to all supplier contracts and sets out the overall standards surrounding human rights, child labour, discrimination, corruption, bribery or other financial impropriety, legal compliance, and ethical conduct with which our suppliers must comply.

A Supplier Ethical Declaration is referenced in the standard purchase terms and conditions of The Salvation Army and compliance is a contractual requirement for all suppliers operating under these standard terms and conditions. In addition, all suppliers and contractors submitting tender responses must confirm their agreement and acceptance of the terms and conditions and sign the ethical declaration and apply these standards to their own supply chains.

Our Procurement Unit continually reviews its supply base, examining suppliers in those areas that represent the highest risk of modern slavery, particularly in spend areas relating to temporary labour, cleaning, catering, linen, branded goods and building services. Where possible, trade and industry best practice standards are used as the benchmark and The Salvation Army has adopted the use of Constructionline for tendering and selecting building suppliers.

Due to the importance of training and education in the fight against modern slavery, the Procurement Unit has partnered with Stronger Together to deliver training to members of its team on identifying potential victims of modern slavery. All members of the Procurement Team complete the Chartered Institute of Purchasing and Supply ethical procurement assessment annually.

The Procurement Team holds regular Helping The Salvation Army Buy Better training seminars for stakeholders where ethical supply chain issues are covered. The Procurement Team has also hosted a supplier conference with a specific focus on providing education on combating supply chain labour abuses. The commitment to ensuring ethical supply chain standards is also embedded in the recently adopted Salvation Army Fiscal Stewardship Principles and the Procurement Unit will be asked to report on compliance with these standards regularly.

STREAMLINED AND ENERGY CARBON REPORTING (SECR) STATEMENT

At the Salvation Army Trust (SAT) we recognise that climate change represents a significant global threat.

We recognise that we need to reduce our operational energy use and carbon emissions, and we have set ourselves some challenging targets to achieve this. We are pleased to report our progress in this area over the last year.

Targets

Our carbon reduction targets for the operational emissions included in this report are:

- 50% reduction by 2030 (from a 2019/20 baseline)
- Net zero by 2040

What do we mean by net zero? We will reduce our emissions by at least 90%, in line with the criteria of the Science Based Targets Initiative's Net Zero Standard.

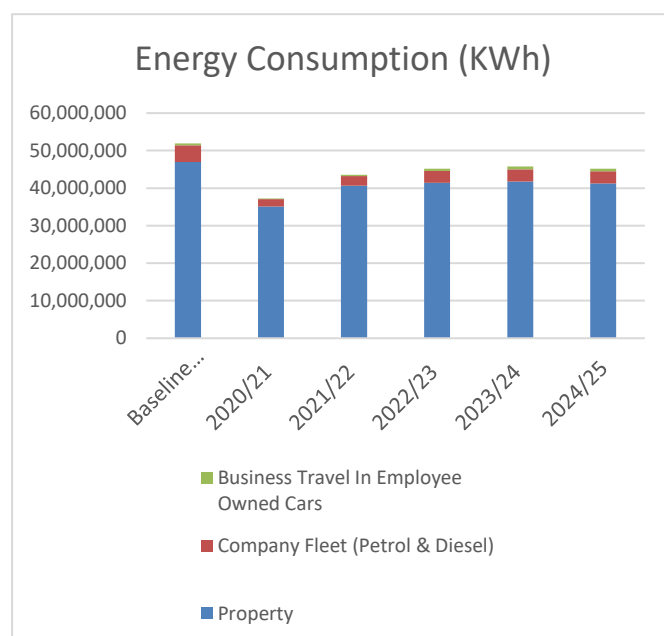
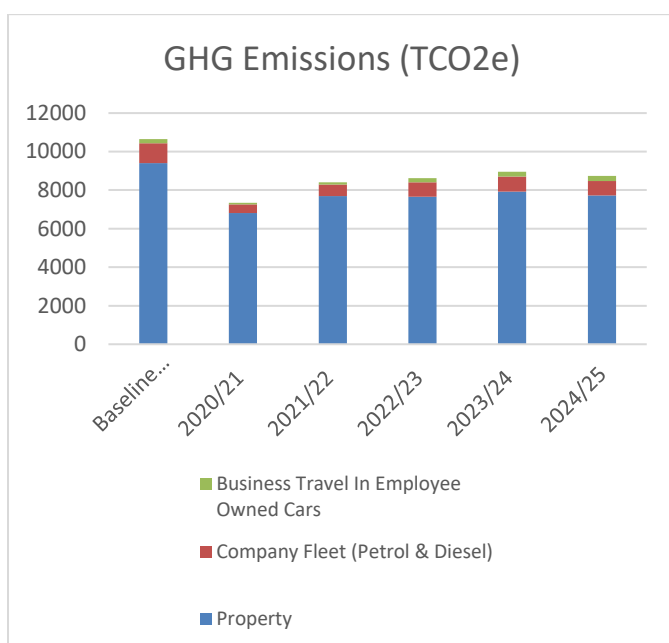
We have also calculated our wider indirect carbon footprint and set a target to reduce those emissions to net zero by 2040. Further details are included in our Net Zero Strategy 2040.

Reporting Methodology

This report has been prepared in accordance with the Streamlined Energy and Carbon Reporting Guidelines (SECR) 2019, the Greenhouse Gas Reporting Protocol Corporate Standard and ISO 14064-1. To convert activity data into carbon we have used the 2025 UK Government's Conversion Factors for Company Reporting.

Greenhouse gas emissions and energy use data

Tonnes CO ₂ e							KWH					
Scope 1 (Gas, Petrol, Heating Fuel)	Baseline	2020/21	2021/22	2022/23	2023/24	2024/25	Baseline					
	(2019/20)	2020/21	2021/22	2022/23	2023/24	2024/25	(2019/20)	2020/21	2021/22	2022/23	2023/24	2024/25
Property	6,692	5,150	5,963	5,533	5,302	5,481	36,397,018	28,009,598	32,553,522	30,367,641	29,044,689	29,636,507
Company Fleet (Petrol & Diesel)	1,031	460	606	742	771	746	4,356,201	1,941,575	2,559,025	3,214,342	3,302,194	3,239,647
Total Scope 1	7,723	5,610	6,569	6,275	6,073	6,227	40,753,219	29,951,173	35,112,547	33,581,983	32,346,883	32,876,154
Scope 2 (electricity, grid average)												
Property	2,714	1,655	1,725	2,132	2,629	2,241	10,616,404	7,098,727	8,125,323	11,025,751	12,694,481	11,598,822
Total Scope 2	2,714	1,655	1,725	2,132	2,629	2,241	10,616,404	7,098,727	8,125,323	11,025,751	12,694,481	11,598,822
Scope 3												
Business Travel In Employee												
Owned Cars	208	75	110	221	261	271	571,386	208,605	300,165	603,879	710,105	722,608
Total Scope 3	208	75	110	221	261	271	571,386	208,605	300,165	603,879	710,105	722,608
Total (Grid Average)	10,644	7,340	8,404	8,628	8,963	8,739						
Intensity Ratio												
(Tonnes CO ₂ e per employee)	4	3	4	4	4	4						
Total energy Consumption							51,941,009	37,258,505	43,538,035	45,211,613	45,751,469	45,197,584



NOTE: Fleet emissions is now divided into Fleet Vehicles and Grey Fleet (Employee-Owned Cars)

Our total energy consumption has decreased by 13% compared to our 2019/20 baseline. Total carbon emissions have reduced by 17.9% and our intensity of Tonnes CO₂e per employee by 18.7%.

We have made good progress reducing carbon emissions from our properties and from business travel.

Progress by area

Property

- Compared to 2019/20 baseline: 12.3% decrease in energy consumption and 17.9% reduction in carbon emissions.
- Compared to prior year: 1.1% decrease in energy consumption and 2.2% decrease in carbon emissions.

Actions:

- **Energy efficiency:** we plan to undertake a full energy efficiency upgrade of 40 buildings as part of our Carbon Management Plan 2024-27
- **Renewables:** 46 of our properties currently have roof mounted Solar PV systems providing clean renewable energy and we are currently installing an additional 34 in the next twelve months.
- **Reducing fossil fuel use:** Currently most of our properties have fossil fuel-based heating systems with a small number of electric heat pumps. However beginning this year, we are starting a programme of energy retrofits to about 36 of our properties over the next year which will include switching heating systems over to low carbon alternatives.

Fleet

- Compared to 2019/20 baseline: 25.6% reduction in energy consumption and 27.6% reduction in carbon emissions.
- Compared to prior year: 2.4% increase in energy consumption.

Actions:

- **Reducing fossil fuel use:** We continue to encourage the take-up of electric company cars, and we recently added EV and PHEV vehicles to our employee company car list. Currently we have 15 EV and PHEV on order and this trend will continue to increase.
- **Reducing travel:** We are actively encouraging more sustainable travel and recently updated our Travel policy to have a more sustainable travel focus.

Colleague engagement.

Engaging our staff and volunteers on this agenda is very important to us. We actively encourage our Corps to sign up to the Eco Church Scheme. This is a Sustainability scheme for religious buildings in the UK that supports and certifies against good practise around buildings, green spaces and lifestyle. Currently about 11% of our Corps are members and we have target of 80% of corps to sign up by 2028.

We are currently developing a Care for Creation training module that will be rolled out early next year for both current and new staff and Officers.

We provide updates throughout the year through our intranet, weekly internal newsletters and articles in our Salvationist Magazine.

Wider strategy

<https://www.salvationarmy.org.uk/sites/default/files/resources/2025-08/TSA%20Carbon%20Management%20Plan-2024-2027.pdf>

This report covers a small part of our sustainability and carbon reduction programmes Read more about the work we are doing in our Net Zero Strategy 2040 and Carbon Management Plan 2024-27.

REVIEWING FINANCES

The Accounts have been prepared in accordance with the Charities SORP and Financial Reporting Standard 102 (FRS 102).

Our main sources of income are as follows:

	2025 £m	2024 £m
Legacies	84.4	84.3
Donations from the public	78.9	73.4
Donations from members	17.7	17.7
Grants	4.4	4.2
Trading income	115.4	112.7
Investment income	9.1	12.5
Other income	28.4	22.5
	<u>338.3</u>	<u>327.3</u>

Voluntary Income

Voluntary income (including legacies, donations and grants from trusts and foundations) represents 54% of our total income and we continue to be deeply and sincerely grateful to the individuals who have remembered us in their wills, which is a crucially important, sustaining income stream. Donations from members represent the weekly or planned giving by soldiers and other members of The Salvation Army to their local Salvation Army corps (church).

Trading Income

Trading income comprises:

- Corps trading activities, mainly charity shops (£13.0 million). Net trading income is £5.6 million, compared with net trading income of £5.9 million in 2024.
- Income of trading subsidiaries: The Salvation Army General Insurance Corporation (£25.0 million) and The Salvation Army Trading Company (£88.9 million). There has been a decrease in net trading income with a deficit of £0.8m down from a surplus of £1.3m in 2024.

Other Income

The increase between 2024 and 2025 primarily relates to gains on properties disposed in year 2025 of £22.6m (2024 £18.3m).

Expenditure has increased from £308.9 million to £338.0 million. Cost of trading activities has increased in part due to supporting the increased income generation channels and primarily the increase is due to inflationary pressures. Church and evangelism programme costs have increased because of increased direct costs as well inflationary pressures.

	2025	2024
	£m	£m
Cost of raising donations and legacies	23.8	19.7
Cost of trading activities	122.4	111.0
Total cost of raising funds	146.2	130.7
Charitable activities:		
Church and evangelism programmes	69.1	64.4
Community programmes	71.5	64.3
International programmes	5.7	8.9
Training programmes	9.1	7.7
Youth and young people's programmes	4.2	3.1
Grant to Social Work Trust	26.3	29.7
Total charitable activities	185.9	178.1
Financing Activities	(0.3)	0.1
Total expenditure	331.8	308.9

Costs of Raising Donations and Legacies

This represents the costs of our central Fundraising Department and the cost of our appeals and other costs associated with raising funds.

Church and Evangelism Programmes

This represents Christian worship and the teaching and promotion of the Christian message at our corps, regionally and nationally.

Community Programmes

Programmes organised by our corps to meet the needs of their local community are increasing in scale and diversity and are described elsewhere in this report.

International Programmes

This represents grants to The Salvation Army International Trust, overseas projects funded by the UK Territory and the costs of the International Development Unit.

Training Programmes

This represents the costs of William Booth College which trains people to become Salvation Army officers and runs education and learning programmes for employees and officers.

Youth and Young People's Programmes

This represents national programmes including The Salvation Army's work with young people and young adults.

Grant to The Salvation Army Social Work Trust

This represents the financial support provided to our social programmes for those in need. This includes work with the homeless, older people, unemployed people, and victims of human trafficking.

Net income, which includes gain on investments of £5.7 million (2024: £29.0 million), was £12.1 million (2024: £47.4 million).

Total funds as at the year-end were as follows:

	2025 £m	2024 £m
Endowment funds	16.5	17.3
Restricted funds:		
Property fund	367.1	352.2
Corps funds	56.0	55.4
Legacy reserves	96.1	89.7
Trust funds	2.1	2.5
Specific donations	14.6	13.1
	535.9	512.9
Unrestricted funds:		
Designated funds	290.2	268.4
General reserve	70.3	102.2
	360.5	370.6
Total funds	912.9	900.8

Endowment Funds (see Note 21 to the accounts)

The endowment funds are represented by investments in William Leech (Investments) Limited and in the Common Investment Funds and the movement is due to the overall increase in market value of those investments. The capital value of the funds is retained but the income is applied to fund our work.

Restricted Funds (see Notes 22 & 23 to the accounts)

The property fund represents property assets owned by The Salvation Army for operational purposes and hence is not available for expenditure. Corps funds represent funds generated by corps. These are restricted for use in their local area. Other restricted reserves represent funds given by donors for specific purposes.

Unrestricted Funds (see Note 24 to the accounts)

Designated funds are set aside by the directors for specific purposes, principally the acquisition of officers' quarters and major maintenance work on the property portfolio. Salvation Army officers (active and retired) are provided with accommodation. Funds have been set aside to enable the purchase of suitable properties as they are required. Funds have also been set aside to fund the work required on corps properties as part of our continuing planned maintenance rolling five-year programme. Funds are also designated to finance new mission initiatives, fund Field Service Training and various approved standalone programmes. All designated reserves are reviewed annually for obsolescence with surpluses being transferred back to general reserves.

Unrealised gains

These are gains and losses because of market value fluctuations which have not yet been realised.

General reserve

This represents funds which are freely available for the general purposes of the charity.

RESERVES POLICY

We rely on donations, legacies, and grants to fund our activities. These can be uncertain and fluctuate from year to year. They represented 54 per cent of our total income for the year ended 31 March 2025. We need reserves to ensure that the operation of our church and community programmes can continue in the event of fluctuations in voluntary income and unexpected expenditure. We also want to be able to provide for the new and innovative opportunities that may appear to further the mission of The Salvation Army Trust.

The total value of funds held as at 31 March 2025 was £913m (2024: £901m). There are restricted reserves of £536m (2024: £513m), unrestricted reserves of £361m (2024: £371m), and endowment reserves of £16m (2024: £17m).

The unrestricted funds include general reserves, designated funds, and non-charitable trading funds. General reserves are utilised to fund the day-to-day needs of The Salvation Army. These were £70m as at 31 March 2025 (2024: £102m). The designated funds are unrestricted but set aside by the directors for specific purposes, £290m (2024: £268m). Included within general reserves are non-charitable trading funds totalled £21.5m (2024: £22.3m). Therefore, the Charity Free Reserves are £49m (2024: £80m).

Charity Free Reserves at £49m is within the target range of £34.6m to £57.5m. The target range is modelled looking at risk factors associated with the various income streams. The risk factors are considered annually and duly reflected in the annual Reserves Policy. Like other charitable organisations, we are facing increased costs in delivering our missional activities and supporting vulnerable people within our society from high inflation as well as a challenging fundraising environment as the cost-of-living crisis continues to bite. Free Reserves at the higher end of the range is prudent given the current economic situation. The Trustees review the reserves policy on an annual basis taking account the changing internal and external risk factors.

INVESTING FOR THE FUTURE

The charity holds its investments in The Salvation Army Common Investment Funds. These funds were set up under Schedule 2 of The Salvation Army Act 1980 to act as common investment schemes for certain Salvation Army Trusts.

The Salvation Army Common Investment Fund (No 1) consists of permanent endowments which are restricted by the wishes of the donor. In most cases the income is to be used for restricted purposes. The Salvation Army Common Investment Fund (No 2) is operated for those Salvation Army Trusts without permanent endowments. Both funds are managed by The Salvation Army Trustee Company. Cazenove Capital Management manages CIF1 and 50 per cent of CIF2, while Sarasin & Partners LLP manage 50 per cent of CIF2.

The funds are subject to The Salvation Army Act 1980 and the following guidelines:

- the principal aim is to invest in a manner consistent with the promotion of the objects of The Salvation Army;

- investments should be made on longer-term considerations rather than in the pursuit of short-term gains;
- investments may be held in stocks, shares, debentures, and other securities quoted on a recognised stock exchange, in government, municipal and public utility stocks and in bank deposit accounts;
- investments may be made in collective investment schemes, including those holding real estate assets;
- no direct investment may be made in unquoted securities in the UK or overseas
- there will be no investment in companies which derive a material amount of their revenues (% indicated) from the following activities:
 - the production of alcohol (5%)
 - the sale, together with any production, of alcohol (10%)
 - the production of tobacco (5%)
 - the sale, together with any production, of tobacco (10%)
 - the manufacture of whole weapons, weapon platforms and weapon systems (no minimum limit)
 - the manufacture or sale of strategic parts for weapons systems (10%)
 - the business of gambling or providing access to such businesses (5%)
 - the production of adult entertainment services or providing access to such services (1%)
 - the publication or wholesale of pornographic magazines or newspapers (1%)
- investment managers are expected to exclude companies whose activities might be expected to increase poverty or act against the relief of poverty. The investment managers are required to monitor companies in the portfolios to ensure best practice in corporate governance, employment conditions and environmental sustainability.

The Funds' benchmark and ranges of distribution are as follows:

Asset Class	Benchmark	Range
	%	%
Equities:		
Global	100	+/-10
Bonds	0	+10
Cash	0	+10
	100	

The aims and objectives of the Common Investment Funds are as follows:

CIF1

Fund strategy is:

- to preserve the value of the fund, adjusted for real inflation
- to maintain a steady annual income stream

The performance objective of the Fund is to achieve an annual total return which exceeds the composite benchmark below by at least 1.25 per cent per annum, gross of fees, measured over rolling three-year periods, commencing 1 January 2011.

Asset Class	Performance Benchmark
UK Equities	FTSE All-Share

Europe (ex UK) Equities	FTSE All World Developed Europe (ex UK)
Emerging Markets Equities	FTSE All World Emerging Markets
Asia Pacific Equities	FTSE All World Developed Asia Pacific
United States Equities	S&P 500
Property	AREF/IPD UK Quarterly All Balanced Property Fund

CIF2

The Fund strategy is to aim for capital growth rather than income. The performance objective of the Fund, excluding cash and gilts under lien, is to achieve an annual total return which exceeds the composite benchmark below by at least 1.25 per cent per annum, gross of fees, measured over rolling three-year periods commencing 1 January 2011.

Asset Class	Performance Benchmark
UK Equities	FTSE All-Share
Europe (ex UK) Equities	FTSE All World Developed Europe (ex UK)
Emerging Markets Equities	FTSE All World Emerging Markets
Asia Pacific Equities	FTSE All World Developed Asia Pacific
United States Equities	S&P 500
Property	IPD UK Property
Cash and gilts under lien	FTSE Gilts under 5 years

Performance for the year compared to the benchmark was as follows:

	CIF1	CIF1	CIF1	CIF2	CIF2	CIF2
	2025	2024	2023	2025	2024	2023
	%	%	%	%	%	%
Annual total return (gross of fees)	(0.7)	16.9	4.0	(0.9)	14.4	1.1
Benchmark return	4.9	20.6	(2.6)	0.8	20.6	(2.6)

The performance is being monitored on a regular basis through discussions with the respective investment fund managers.

In absolute terms the performance of the Common Investment Funds for the year was as follows:

	CIF1	CIF1	CIF1	CIF2	CIF2	CIF2
	2025	2024	2023	2025	2024	2023
	%	%	%	%	%	%
(Decrease)/Increase in capital value of fund	(0.5)	18.6	2.9	(0.7)	12.8	-0.1
Average net income return	0.7	1.37	0.5	0.8	0.8	0.7

STRUCTURE, GOVERNANCE AND MANAGEMENT

The United Kingdom and Ireland Territory is under the command of a Territorial Commander, appointed by the General and responsible to him/her for the day-to-day administration of Salvation Army work throughout the British Isles, including the Channel Islands, the Isle of Man, and the Republic of Ireland.

The Salvation Army's assets in the United Kingdom are held by The Salvation Army Trustee Company (SATCo), a company limited by guarantee, registered in England (No 00259322) with its registered office at 1 Champion Park, London SE5 8FJ. The governing document of The Salvation Army Trust is The Salvation Army Act 1980, as amended. Under Section 12(1)(a) SATCo is appointed as the sole ordinary trustee of the trusts listed in Schedule 5 to that Act.

The two main trusts under which The Salvation Army operates in the United Kingdom are:

- The Salvation Army Trust, whose accounts are contained in this Report; and
- The Salvation Army Social Work Trust, Charity Registration No 215174 in England and SC037691 in Scotland.

Connected Trusts

SATCo is the trustee of a number of connected charitable trusts which are concerned with specific aspects of the Army's work.

The Salvation Army Social Work Trust

Governing instrument: Deed Poll dated 30 January 1891, and a supplementary deed dated 26 March 1969. Charity registration No 215174 in England and SC037691 in Scotland.

The objects of The Salvation Army Social Work Trust are to promote the charitable work of The Salvation Army, as SATCo shall think fit, in one or more of the following ways:

- the relief of poverty, sickness, suffering, distress, incapacity, or old age
- the advancement of education
- training in Christian and moral principles
- the assistance of those in need of protection

William Booth Memorial Trust

Governing instrument: Trust Deed dated 19 September 1921. Charity registration No 312882.

The purpose of this Trust is the establishment, maintenance, and operation of a college for the instruction and training of men and women for service as officers of The Salvation Army and others involved with or interested in the mission of The Salvation Army.

RISK MANAGEMENT

The Salvation Army identifies, assesses, and manages risks that could impact its activities so it can better achieve its objectives, comply with relevant laws and regulations, and safeguard its funds and assets.

The Board (SATCo) has ultimate responsibility for overseeing risk management, in accordance with Charity Commission guidance (CC26). The Risk Management Committee (RMC) directs an enterprise-wide risk management programme to inform decision-making and ensure effective procedures to identify and evaluate risks and implement effective controls.

The RMC considers the most recent developments in the most significant risks, while also prioritising broader developments to The Salvation Army's approach to risk management. Current plans include promoting a deepening appreciation of the complexities of risk management within a wide-ranging structure, the importance of metrics to inform risk management and the implications of macro and global risks that may have consequences for the organisation.

Risk management operates through a top-down review by the RMC and bottom-up review by individual functions, enabling the identification and prioritisation of key and emerging risks. This enables site and service-specific concerns to be identified and managed, while retaining high-level oversight and assurance of the most significant risks facing the organisation. The RMC reports to the Board at least once yearly on key risks. Through this risk management process the trustees have considered the major risks facing the organisation and satisfied themselves that controls are established to manage them.

Unfortunately, the nature of our work means that despite the steps we take, serious incidents can still arise, and we continue to place the utmost importance on reporting these to our regulators.

Principal Risks

The Salvation Army's work is diverse, geographically spread across a broad range of settings and has a variety of beneficiaries. The risk landscape is therefore varied, and controls are deployed appropriately at different levels of the organisation. The following outline indicates the most significant risks to The Salvation Army in the reporting period and some of the strategic level mitigations we have in place.

Principal Risks	Mitigation
Business Continuity – There is a risk of an occurrence of a significant incident where, during and after the incident, The Salvation Army will not be able to continue to be viable and meet stakeholder expectations.	Business continuity policies and procedures, including the application of ISO27001 for some parts of the organisation, prepare us for management of interruptions.
Cyber – The risk is that we fail to protect our information systems and the information they hold.	We deploy multiple measures to protect our systems and the information they hold. We work within an information security international standard (ISO27001) and build on lessons from our internal and external audits in this area.
Data Protection – The risk that we fail to protect sensitive and personal data.	As well as our data protection / GDPR policies and training, we take steps to ensure that personal data are treated properly through appropriate security measures, staff training, the use of data protection impact assessments and contractual requirements with organisations we work with who process our personal data.
Financial Sustainability – The risk that there is insufficient revenue income from legacies, donations, trading activities and reserves to support our operating model resulting in the failure of The Salvation Army to thrive in a rapidly changing environment.	We continue to monitor the funding situation and adjust our financial planning and commitments accordingly to ensure we are financially resilient.
Healthy Corps and Centres – There is a risk that a variety of factors prohibit flourishing of our churches and centres.	We seek to understand how our corps (churches) and centres can thrive in a wider environment of falling church attendance. We are taking steps to establish and measure factors that contribute to healthy mission and provide close support to our corps officers in their daily work.
Safeguarding – The risk is that we fail to provide a safe environment, free from abuse, for everyone, including vulnerable beneficiaries.	We continue to maintain clear policies and procedures in relation to safeguarding and ensure the appropriate screening, training, and supervision of personnel. A subcommittee of RMC – the Territorial Safeguarding Committee – oversees management of the risk.
Safe Mission – The risk is that we are not able to ensure the health, safety and welfare of personnel, service users and members of the public who are affected by our activities.	Comprehensive policies, procedures, and guidance are in place, alongside a supervisory control framework. Two RMC subcommittees – the Safe Mission Council and the Sudden Deaths Review Group – inform the management of this risk.

RISK AND GOVERNANCE

The charity has a dedicated internal audit function that undertakes audits as agreed with the Audit Committee and maintains a detailed risk register that addresses the major risks that face the organisation and may impact its ability to achieve its objectives. The key risk register is subject to regular review by the Risk Management Committee in order to take account of emerging risks and changes in the risk profile. They meet quarterly. The risk register is tabled annually at the SATCo Board for information and review.

The Internal Audit Department periodically reviews SATCo's performance against the Charity Governance Code. The Internal audit department carried out a review in the period to 31 March 2024 and identified a number of minor improvements in line with best practise which SATCO acknowledge and will implement in the forthcoming Internal Audit review period.

SUBSIDIARY AND ASSOCIATED COMPANIES

The following companies are beneficially owned by The Salvation Army Trust and donate all or part of their profits to The Salvation Army Trust:

1. Salvation Army Trading Company Limited (SATCoL) (100% shareholding)
Registered company number: 02605817
 2. The Salvation Army General Insurance Corporation Limited (SAGIC) (100% shareholding)
Registered company number: 101071
-
1. **SATCoL** is a wholly owned subsidiary of The Salvation Army Trust. Its main activity is the collection and sale of second-hand clothes donated by the public through both wholesale and retail activities in its 230 charity shops and donation centres, recycling and the supply of Salvation Army publications, uniforms, and other related materials.
 2. **SAGIC** is a wholly owned subsidiary of The Salvation Army Trust and was formed in 1909. Its principal activity is transacting property insurance in the United Kingdom. SAGIC also provides home and contents insurance to officers, members and supporters of The Salvation Army as well as to the general public, either directly or through its broker network.

Connected Company

The Salvation Army Trust holds 20 per cent of the shares in William Leech (Investments) Limited. It is not considered to be an associated company and is valued in both the Trust and Consolidated Balance Sheets at share of underlying net assets which equates to its fair value.

RECRUITMENT AND APPOINTMENT OF DIRECTORS

There are 14 directors of Salvation Army Trustee Company (SATCo, the sole trustee of The Salvation Army Trust), 8 by virtue of their appointments within The Salvation Army. One director is a divisional leader responsible for one of The Salvation Army's 14 divisions.

The other 5 directors are non-executive directors, and each brings expertise in a relevant field, as approved by the General – including property, finance, investments, or social services. The appointment of non-executive directors is made by SATCo on the recommendation of the Nominations Committee.

Training and Induction of Directors

The Company Secretary briefs new directors on their legal responsibilities and familiarises them with the Company's governance folder (and previous Board minutes). This includes the articles of association of SATCo, the Charity Commission's essential trustee guidance, and other key documents and policies (including the Conflicts of Interest Policy). The Company Secretary regularly delivers a written governance update on relevant issues at board meetings. Directors are also informed of and provided with the opportunity to attend several training sessions throughout the year.

Organisational Structure and Decision Making

SATCo's board ('the Board') is assisted by an Audit Committee, a Nominations Committee, an Investment Advisory Committee, and a Risk Management Committee. The Audit Committee comprises a non-executive director chair and up to three independent members with a remit to review The Salvation Army's internal and external audit arrangements and consider reports issued by internal and external auditors, including the annual financial statements. The role of the Nominations Committee is to recommend new non-executive Board members. The Investment Advisory Committee includes three external advisers in its membership and advises on appropriate investment strategy and investments. The Risk Management Committee's role is outlined above under Risk Management.

The Board met bimonthly, with some additional meetings scheduled as required in this reporting year. In addition to its oversight and governance role, the following matters require consideration/approval by the Board:

- annual budget
- individual items of expenditure of £5 million and above
- investment policy, on the recommendation of the Investment Advisory Committee
- Risk Register
- Key policies
- Annual Financial Statements

The Board has delegated day-to-day operational matters to the Territorial Operations Board, under the leadership of the Chief Secretary.

Remuneration of Key Management

Key management personnel of The Salvation Army comprise Salvation Army officers and employees. Salvation Army officers do not receive a salary; they receive an allowance based on length of service and seniority of position and, as ministers of religion, are provided with furnished accommodation and a motor vehicle. The allowances received by officers in positions of key management range from £19,641.90 to £27,916.75 per annum.

Further information is disclosed in Notes 11 and 12 to the Accounts.

For employees, we are committed to ensuring a proper balance between paying salaries which will enable us to attract and retain staff of the appropriate calibre and careful stewardship of charitable funds. All senior salaries are benchmarked against senior staff salaries of comparable organisations in the not-for-profit sector.

Public Benefit

The Trustees confirm that they have considered the Charity Commission's published guidance on the public benefit requirement under the Charities Act 2011.

We believe that in delivering public benefit we are effective because we bring the breadth of our capabilities to bear on the complex challenges being faced by our local corps

(churches), which have experienced even greater numbers of people seeking assistance, and our residential homes, which have been required to support people with increasingly complex needs. The organisation's Vision and Mission Priorities set out how we meet those challenges to make a difference over the current decade and beyond. Find out more in the sections 'Belief in action – our churches and community centres,' 'Reaching out to vulnerable people,' 'Seeing the bigger picture,' 'Our 10-year homelessness services development strategy - "1,000 voices"', and 'Looking Forward as a Movement'.

Directors' Responsibilities

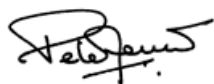
The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law applicable to charities in England and Wales/Scotland/Northern Ireland requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources of the 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 the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue as a going concern.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The financial statements are published on The Salvation Army website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of The Salvation Army's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.



On behalf of the Directors of The Salvation Army Trustee Company
12 December 2025

DIRECTORS

The current directors of The Salvation Army Trustee Company and those who held office during the financial year are as follows:

Commissioner Paul Main	Chair
Colonel Peter Forrest	Deputy Chair
Lieut-Colonel Paul Kingscott	(appointed 10.05.24)
Lieut-Colonel Nicholas Coke	(appointed 05.07.24)
Lieut-Colonel Lisa Lloyd-Jones	(appointed 12.09.25)
Lieut-Colonel Mark Herbert	
Lieut-Colonel Andrew McCombe	(until 31.10.25)
Lieut-Colonel Beverley McCombe	(until 31.08.25)
Lieut-Colonel Dean Pallant	(until 30.06.24)
Lieut-Colonel Judith Payne	(until 24.07.24)
Lieut-Colonel Alan Read	(until 01.05.24)
Major Richard Bradbury	(appointed 14.11.25)
Major Amanda White	(appointed 26.09.24)
Ms Jennifer Laurent-Smart	(appointed 26.09.24)
Ms Helen O'Brien	
Mr Philip Edwards	
Mr Peter Gale	
Mr Andrew Stickland	
Mr Aidan Grills	(appointed 10.05.24)

The Chief Secretary, Colonel Peter Forrest, is responsible for the day-to-day management of the charity.

Committee Members (current, and those who were members during the period 1st April 2024-31st March 2025):

Territorial Operations Board

Colonel Peter Forrest (Chair), Major Kathy Betteridge (appointed 18.09.24), Major Kerry Coke (appointed 18.09.24), Major Jane Cowell, Mr Tony Daniels (until 04.09.24), Mr Miguel Fiallos, Mr Peter Grant, Ms Polly Hughes (appointed 18.09.24), Lieut-Colonel Mike Lloyd-Jones (until 26.03.25), Commissioner Jenine Main, Mr Mitch Menagh (until 04.09.24), Major Donald Montgomery (from 12.09.25), Ms Alex O'Hara, Major Tracy Palmer (from 12.09.25), Major Pam Pitt (from 01.07.24 to 13.08.25), Mr Nick Redmore, Lieut-Colonel David Shakespeare (until 12.09.25), Major Julian Watchorn, Major Richard Waters, Mr Julius Wolff-Ingham (until 04.09.24).

Audit Committee

Mr Andrew Stickland (Chair), Mr Stephen Bright, Ms Hannah Greenfield (until 21.11.24, and then from 08.07.2025), Mr Mike Grills.

Investment Advisory Committee

Mr Peter Gale (Chair), Mr Mark Chaloner, Ms Mary Haly, Lieut-Colonel Paul Kingscott (appointed 18.04.24), Lieut-Colonel Alan Read (until 01.05.24), Mr Marcel Schuster, Major Richard Waters.

Nominations Committee

Commissioner Paul Main, Colonel Peter Forrest, Ms Mandeep Gill (from 12.09.25), Lieut-Colonel Paul Kingscott (appointed 18.04.24), Lieut-Colonel Alan Read (until

01.05.24), Mr Elliot Thomas (until 12.09.25). A non-executive director of SATCo also attends (dependent on the agenda).

Risk Management Committee

Ms Helen O'Brien (Chair), Major Richard Bradbury, ex-officio (from 01.11.25), Major Kerry Coke, Lieut-Colonel Nick Coke, ex-officio (appointed 01.07.24), Mandeep Gill (from 12.09.25), Lieut-Colonel Paul Kingscott, ex-officio (appointed 18.04.24), Lieut-Colonel Lisa Lloyd-Jones, ex-officio (from 01.09.25), Lieut-Colonel Mike Lloyd-Jones (from 12.09.25), Lieut-Colonel Beverley McCombe, ex-officio (until 31.08.25), Lieut-Colonel Drew McCombe, ex-officio (until 31.10.25), Major Donald Montgomery (from 12.09.25), Lieut-Colonel Dean Pallant, ex-officio (until 30.06.24), Major Sarah Price (until 12.09.25), Lieut-Colonel Alan Read, ex-officio (until 01.05.24), Lieut-Colonel Jonathan Roberts (appointed 01.09.24), Major Howard Russell (until 23.10.24), Mr Matthew Saxon, Lieut-Colonel David Shakespeare (until 12.09.25), Ms Lynette Sturgeon, Mr Elliot Thomas (until 12.09.25), Mr Daniel Wills, Mr Julius Wolff-Ingham.

Property Committee

Mr Philip Edwards (Chair), Colonel Peter Forrest, Mr Peter Grant, Major Kenneth Guest (from 20.10.25), Mr James Hodgson, Lieut-Colonel Mike Lloyd-Jones (from 20.10.25), Major Ian Mountford, Major Pam Knuckey (until 18.08.25), Major Annette Rieder-Pell, Major Mark Rose, Mr Nathan Slinn, Mr Olly Thorp.

Finance Committee

Mr Aidan Grills (Chair), Lieut-Colonel Jane Cowell, Lieut-Colonel Paul Kingscott, Mr Mitch Menagh, Major Howard Russell, Major Richard Waters, Mr Julius Wolff-Ingham.

Company Secretary

Ms Mandeep Gill is Company Secretary of The Salvation Army Trustee Company, having been appointed on 12.09.25. For the period 1st April 2024- 31st March 2025, Mr Elliot Thomas was the Company Secretary.

ADVISERS

Bankers

Reliance Bank Limited, Faith House, 23/24 Lovat Lane, London EC3R 8EB

Auditors

Crowe U.K. LLP, Statutory Auditor, Chartered Accountants, 55 Ludgate Hill, London EC4M 7JW

Solicitors

England and Wales: Slaughter and May, 1 Bunhill Row, London EC1Y 8YY
Scotland: Blackadders, 5 Rutland Square, Edinburgh EH1 2AX

Investment Advisers

BWCI Consulting Limited, PO Box 68, Albert House, South Esplanade, St Peter Port, Guernsey GY1 3BY

Investment Managers

Cazenove Capital Management, 12 Moorgate, London EC2R 6DA
Sarasin & Partners LLP, Juxon House, 100 St Paul's Churchyard, London EC4M 8BU
Legal & General Investment Ltd, One Coleman Street, London, EC2R 5AA

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF THE SALVATION ARMY TRUST

Opinion

We have audited the financial statements of The Salvation Army Trust ('the charity') and its subsidiaries ('the group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 March 2025 and of the group'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 Salvation Army Act 1980, the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (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.

Conclusions relating to going concern

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.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's or the group's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the 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 contained within the annual report. The other information comprises the information included in the annual report, 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.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' annual report; or
- sufficient and proper accounting records have not been kept by the charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustee

As explained more fully in the trustees' responsibilities statement set out on page 81, the trustees 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 and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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 including internal specialists and significant component audit teams. 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 charity 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 Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS102) 2019. 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 charity'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 charity and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Salvation Army Act 1980, General Data Protection Regulation (GDPR), Taxation 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 legacy income, the valuation and completeness of investment properties and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit, legal counsel and the Audit Committee about their own identification and assessment of the risks of irregularities, designing audit procedures over investment properties, legacy income, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, OSCR 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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in dark ink that reads "Crowe UK LLP." The signature is written in a cursive, flowing style.

Crowe U.K. LLP
Statutory Auditor

London

23 December 2025

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Crowe U.K. LLP is eligible for appointment as auditor of the charity under regulation 10(2) of the Charities Accounts (Scotland) Regulations by virtue of its eligibility under section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2025

	Note	Endowment £000	Restricted £000	Unrestricted £000	2025 Total £000	2024 Total £000
INCOME AND ENDOWMENTS						
FROM:						
Donations, legacies and grants						
Legacies		-	17,454	66,906	84,360	84,328
Donations – Public		-	10,104	68,816	78,920	73,421
Donations – Members	3	-	17,545	147	17,692	17,682
Grants	4	286	3,912	207	4,405	4,204
Trading activities	5	-	12,980	102,440	115,420	112,687
Investments	6	-	3,071	6,067	9,138	12,529
Other						
Gain on property disposal		-	5,252	17,379	22,631	18,338
Other income		-	1,317	4,414	5,731	4,129
Total income		<u>286</u>	<u>71,635</u>	<u>266,376</u>	<u>338,297</u>	<u>327,318</u>
EXPENDITURE ON:						
Raising funds						
Costs of raising donations, legacies and grants		-	17	23,772	23,789	19,747
Costs of trading activities	5	-	7,372	115,072	122,444	110,978
		-	<u>7,389</u>	<u>138,844</u>	<u>146,233</u>	<u>130,725</u>
Charitable activities						
Charitable activities	8					
Church and evangelism programmes		-	24,121	45,044	69,165	64,416
Community programmes		-	37,290	34,234	71,524	64,342
International programmes		-	2,704	2,964	5,668	8,906
Training programmes		-	15	9,091	9,106	7,691
Youth and young people's programmes		-	-	4,184	4,184	3,103
Grant to the Salvation Army Social Work Trust		-	-	26,263	26,263	29,652
		-	<u>64,130</u>	<u>121,780</u>	<u>185,910</u>	<u>178,110</u>
Financing costs	18	-	-	(275)	(275)	48
		-	-	<u>(275)</u>	<u>(275)</u>	<u>48</u>
TOTAL EXPENDITURE		<u>-</u>	<u>71,519</u>	<u>260,349</u>	<u>331,868</u>	<u>308,883</u>
Net (losses)/gains on investments	17(a)	<u>(1,100)</u>	<u>(64)</u>	<u>6,823</u>	<u>5,659</u>	<u>28,975</u>
Net income/(expenditure)		<u>(814)</u>	<u>52</u>	<u>12,850</u>	<u>12,088</u>	<u>47,410</u>
Transfers between funds	23/24	-	22,945	(22,945)	-	-
Net movement in funds		<u>(814)</u>	<u>22,997</u>	<u>(10,095)</u>	<u>12,088</u>	<u>47,410</u>
Fund balances brought forward		<u>17,288</u>	<u>512,865</u>	<u>370,632</u>	<u>900,785</u>	<u>853,375</u>
Fund balances carried forward at 31 March 2025		<u><u>16,474</u></u>	<u><u>535,862</u></u>	<u><u>360,537</u></u>	<u><u>912,873</u></u>	<u><u>900,785</u></u>

All activities reported above, in both the current and preceding years, reflect ongoing activities. Detailed comparative information is provided in note 31. Notes 1 to 31 form an integral part of these accounts.

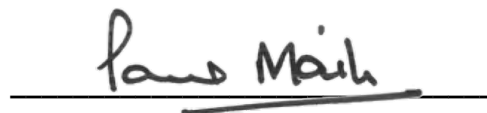
BALANCE SHEETS
AS AT 31 MARCH 2025

		Group		Parent	
	Note	2025 £000	2024 £000	2025 £000	2024 £000
FIXED ASSETS					
Intangible fixed assets	14	437	148	-	-
Tangible fixed assets					
Properties	15	390,305	379,900	382,227	371,801
Property schemes in progress	15	3,932	10,455	3,932	10,455
Motor vehicles and equipment	16	26,629	26,488	7,704	8,261
Investments	17	351,936	334,020	351,511	337,442
Total fixed assets		773,239	751,011	745,374	727,959
CURRENT ASSETS					
Stocks	18	1,445	1,827	198	202
Debtors		112,695	99,052	102,618	91,208
Short-term deposits		53,279	51,272	53,279	51,272
Bank balances and cash		24,148	89,249	18,991	78,381
		191,567	241,400	175,086	221,063
CREDITORS: amounts falling due within one year	19	(45,359)	(84,705)	(28,850)	(69,900)
NET CURRENT ASSETS		146,208	156,695	146,236	151,163
TOTAL ASSETS LESS CURRENT LIABILITIES		919,447	907,706	891,610	879,122
CREDITORS: amounts falling due over one year	20	(252)	(309)	(252)	(309)
Provisions for liabilities	20	(6,322)	(6,612)	-	-
TOTAL NET ASSETS		912,873	900,785	891,358	878,813
FUNDS					
Endowment funds	21	16,474	17,288	16,474	17,288
Restricted funds					
Property fund	22	367,074	352,212	367,074	352,212
Other restricted funds	23	168,788	160,653	168,788	160,653
Unrestricted funds	24	360,537	370,632	339,022	348,660
TOTAL FUNDS	25	912,873	900,785	891,358	878,813

Approved on behalf of The Salvation Army Trustee Company on 12 December 2025. Notes 1 to 31 form an integral part of these accounts.



Colonel Peter Forrest



Commissioner Paul Main

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £000	2024 £000
NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES	30	(58,069)	34,994
Additions to intangible assets		(467)	(144)
Additions to properties		(20,910)	(24,941)
Additions from property schemes in progress		(5,139)	(22,766)
Proceeds on disposal of properties		32,956	26,678
Additions to motor vehicles and equipment		(7,138)	(14,607)
Proceeds on disposal of motor vehicles and equipment		57	-
Additions to investments		(25,629)	(3,493)
Proceeds from disposal of investments		12,146	1,527
Investment income		9,138	12,529
NET CASH (USED IN) INVESTING ACTIVITIES		(4,986)	(25,217)
NET CASH (USED IN) FINANCING ACTIVITIES			
Loan repayments		(39)	(84)
Change in cash and cash equivalents		(63,094)	9,693
Cash and cash equivalents at the beginning of the year		140,521	130,828
Cash and cash equivalents at the end of the year		77,427	140,521

ANALYSIS OF CHANGES IN NET DEBT

	Balance 1 April 2024 £000	Cash-Flows £000	Non-cash-flows £000	Balance 31 March 2025 £000
Cash at bank	89,249	(65,101)	-	24,148
Short term deposits	51,272	2,007	-	53,279
Total cash and cash equivalents	140,521	(63,094)	-	77,427
Loans falling due within one year	(23)	23	(41)	(41)
Loans falling due after more than one year	(309)	16	41	(252)
	140,189	(63,055)	-	77,134

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1. CHARITY INFORMATION

The Salvation Army in the UK is an integrated, yet diverse, organisation that contributes to the betterment of society in the service of God and people. Legally we are structured under two main trusts. These are:

- The Salvation Army Trust (Charity Registration No. 214779 in England and Wales, and SC009359 in Scotland)
- The Salvation Army Social Work Trust (Charity Registration No. 215174 in England and Wales, and SC037691 in Scotland)

These financial statements are for The Salvation Army Trust (Salvation Army Trust, the Trust). The address of the registered office is 1 Champion Park, London, SE5 8FJ.

2. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements and which have been consistently applied are set out as follows:

(a) Basis of Accounting

The accounts (financial statements) have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standards applicable in the UK and the Republic of Ireland and Charity SORP (FRS102) applicable to charities preparing their accounts in accordance with FRS102, The Salvation Army Action 1980, the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the previous Statement of Recommended Practice: Accounting and Reporting by Charities which was effective from 1 April 2005 but which has since been withdrawn. Salvation Army Trust meets the definition of a public benefit entity under FRS 102.

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

(b) Going Concern

Salvation Army Trust, like other charities has continued to weather the financial impact of global economic factors, particularly the high inflation rates on our cost base plus the related cost-of-living crisis. At the time of writing, inflation in the UK is 3.8%. The Bank of England projects that inflation will fall to around 2% by mid-2026, but this remains a watching brief with the current instability arising through the trade tariffs being imposed by the USA and the global political unrest. With the current interest rates, reducing at a much slower pace, unemployment is expected to increase as the economic growth forecast is expected to decrease. The organisation anticipates that the economic environment will continually be challenging especially against the backdrop of the current socio-economic and socio-political climate.

Financial projections and other supporting financial models that detail potential financial impacts of this economic environment upon The Salvation Army Trust, as well as furthering the scenario planning to assess the potential short-, medium- and long-term financial implications of other risks and opportunities. However, this is currently undertaken on a lower-level scale.

Looking ahead, we plan to better utilise the financial reserves to support the organisation and where necessary invest in strategic priorities. This financial year 2024-25 saw us continuing to spend on our strategic aims. The closing unrestricted reserves were £361m (2024: £371m) and the cash and bank balances were £24m (2024: £89m) due to the

The Salvation Army Trust Report and Financial Statements for the year ended 31 March 2025

movements in operational working capital. Based on cash flow forecasts prepared covering the period to 31 March 2027, the directors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of approval of these financial statements and are not aware of any material uncertainties that may adversely affect the organisation. Accordingly, the financial statements will continue to be prepared on the going-concern basis.

(c) Consolidation

The financial statements aggregate the results of the corps which, for the purposes of compliance with the Statement of Recommended Practice, are considered to be branches, the results of the subsidiary companies and of the subsidiary trust (William Booth Memorial Trust).

The Statement of Financial Activities (SOFA) and balance sheet consolidate, on a line-by-line basis, the financial statements of the Trust and its subsidiary undertakings (The Salvation Army General Insurance Corporation Limited (SAGIC) and Salvation Army Trading Company Limited (SATCoL)). The Trust has taken advantage of the exemption in FRS102 from the requirement to prepare a charity-only cash flow statement and certain disclosures about the Trust's financial statements.

(d) Critical accounting judgements and key sources of estimation uncertainty

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

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

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

(i) Legacy income

Income from legacies is recognised when there is entitlement and the income can be measured reliably, and receipt is probable as detailed within accounting policy (e). Legacies not recognised in the year are detailed in note (e). Measurement of legacy income is exposed to inherent uncertainties, represented by property and other investments whose value is subject to market fluctuations until realised.

(ii) Pension obligations

The Salvation Army Trust contributes to the underlisted defined benefit pension or similar schemes in respect of its staff:

- The Salvation Army Officers' Pension Fund relating to Salvation Army officers
Contribution levels are based on a number of critical underlying assumptions such as post and pre-retirement discount rates, rates of increase in allowances and pensions as well as the rate of inflation. The fund has a funding surplus; no deficit funding provision is required although variation in these assumptions may significantly impact the surplus (as analysed in Note 13a). Whilst the Fund is not legally defined as a pension scheme, purely for the purposes of accounting, it is accounted for as a defined benefit pension scheme in each of the principle employers' accounts.
- The Salvation Army Employees' Pension Fund.
This is a multi-employer defined benefit scheme. Managements' estimate of the defined benefit obligation is based on a number of critical underlying assumptions such as post and pre-retirement discount rates, rates of increase in allowances and pensions as well as the rate of inflation. The scheme has a funding surplus; no deficit funding provision is required although variation in these assumptions may significantly impact the surplus (as analysed in Note 13b).

(iii) Identification and valuation of investment properties

Salvation Army Trust's property portfolio is reviewed annually to identify investment properties, which are those properties held to earn income or for capital appreciation rather than to be used for its charitable purposes.

Properties no longer used for charitable purposes but retained until market conditions allow their disposal are not treated as investment properties, provided disposal is intended within a three-year window. If disposal does not occur within this period and the property is not re-engaged for charitable purposes, it is reclassified to investment property.

After initial recognition, investment property is measured at its fair value which is determined by members of staff with relevant experience and qualifications, and the valuation is performed using open market data for comparable properties. The property will be valued at each subsequent reporting date.

(iv) Provisions in the insurance subsidiary company

Judgments and estimates are made in calculating the insurance technical provisions which are based on claims and premium trends from the previous year, in compliance with FRS 103.

Provision is made at the year-end for the estimated cost of claims incurred but not settled at the balance sheet date, including the cost of claims incurred but not yet reported to the Company. The estimated cost of claims includes expenses to be incurred in settling claims and a deduction for the expected value of salvage and other recoveries. The Company takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established.

Provisions are calculated gross of any reinsurance recoveries. A separate estimate is made of the amounts that will be recoverable from reinsurers based upon the gross provisions and having due regard to collectability.

The estimation of claims incurred but not reported (“IBNR”) is generally subject to a greater degree of uncertainty than the estimation of the cost of settling claims already notified to the Company, where more information about the claim event is generally available. Expert judgement has and will continue to be relied upon when calculating IBNR reserves in conjunction with standard actuarial techniques and other data sources (benchmarks).

(e) Income

All income is included in the SOFA when the Trust is entitled to the income, receipt is probable, and the amount can be measured reliably. Income includes:

- (i) Donations, and Legacies — Donations are accounted for when received. No amounts are included in the financial statements for services by volunteers. Gift Aid receivable is included as income when the donation is made and where there is valid Gift Aid declaration from the donor.

Legacies income is recognised when it satisfies the following criteria:

- a) there is sufficient evidence of a legacy having been left to the Trust based on probate having been granted before the year end;
- b) the Trust has been notified and has a reasonable estimate of the amount due. For residuary legacy interests, the Trust has received the confirmation of sufficient assets in the estate, in the form of either a summary of the estate from Smee & Ford or an assets and liabilities statement or estate accounts; and there are no known outstanding disputes.
- c) where a legacy is subject to the interest of a life tenant, the income will not be recognised until the death of the life tenant; and
- d) measurement of legacy income due from a residuary estate is exposed to inherent uncertainties represented by property and other investments whose value is subject to market fluctuations until realised. Additionally, professional administrative fees are incurred during an estimate administration until final distribution. The Trust recognises these uncertainties by using the latest available estate valuation information and allowing for these fluctuations by applying a discount provision against expected income of between 5% and 20% per estate, based on the individual circumstances of each estate.

The estimated value of legacies notified, but neither received nor included in income, is £1.8m (2024: £5.1m).

- (ii) Investment Income — Dividends, interest and rent from investment properties are recognised in the year for which they are received or receivable.
- (iii) Grants are recognised when they are receivable, providing that any conditions attached to the grants and outside the charity’s control have been fulfilled. Where, at the balance sheet date, conditions remain unfulfilled, the

grants are deferred pending satisfaction of these conditions. If amounts are receivable for specific purposes, the income is shown as restricted

- (iv) Profits and losses on disposal of assets are reflected in the Statement of Financial Activities in the year of disposal.
- (v) Trading Income — Trading income is recognised at the point of sale for retail sales and at the time of distribution for wholesale unsorted clothing. Trading income also includes insurance income and Gift Aid through the shops.
- (vi) Premium income of the insurance subsidiary is recognised by reference to the period over which the premium is earned. Unearned premiums represent the proportion of premiums written in the year that relate to the unexpired terms of the policies in force at the balance sheet date, calculated on a time apportionment basis.
- (vii) Funds raised by local corps, including trading income, are deemed to be restricted for use in the local area, as the expectation of local donors is for monies to be used to fund local communities.

(f) Expenditure

Expenditure is recognised on the accruals basis when a legal or constructive obligation arises and when the amount can be measured or estimated reliably. Irrecoverable Value Added Tax is charged to the related heads of expenditure.

- (i) Irrecoverable Value Added Tax is charged to the related expenditure.

(ii) Expenditure

- Costs of raising donations, legacies and grants consist of direct campaign appeal expenses and the running costs of the Fundraising Department.
- Cost of trading activities consists of cost of sales, distribution and operational costs and the claims costs of the insurance subsidiary.
- Charitable Activities consists of all expenditure relating to the objects of the charity including the costs of supporting charitable activities and projects.

Support costs, including governance, have been apportioned to each category of expenditure: number of Full Time Equivalent, equipment per headcount, transactions, and buildings per cost centre.

- (iii) The non-capital element of property schemes is written off in the year in which costs are incurred. The capital element of such schemes not completed at the year-end is carried forward in the Balance Sheet under the heading of Property Schemes in Progress and is accounted for as a fixed asset.

(iv) The Salvation Army Officers' Pension Fund

The Salvation Army Officers' Pension Fund was established by The Salvation Army Act 1963 under the legal name, The Salvation Army Officers Pension Fund. It is a registered charity and retirement benefits are not guaranteed and are paid at the discretion of the Board of the Fund. It is non-contributory and has historically been funded by Salvation Army trusts (including The Salvation Army Trust and The Salvation Army Social Work Trust); however, there have been no payments made to the Fund during the current year. Officers that serve in the principal Trusts (The Salvation Army Trust and The Salvation Army Social Work Trust) may receive a retirement allowance from the Fund in the future, although, it is not possible to allocate the assets and constructive liabilities of the Fund between the Trusts. Therefore, whilst the Fund is not legally defined as a pension scheme, purely for the purposes of accounting, it is accounted for as a defined benefit pension scheme in each of the principle employers' accounts.

(v) The Salvation Army Employees' Pension Fund

The Salvation Army Employees' Pension Fund is a defined benefit pension scheme which was closed to new members on 31 December 2011; accrual ceased on 30 April 2023. The Trust is the lead employer and not the only participating employer in the Fund. However, the Trust is unable to determine its share of the underlying assets and liabilities on a consistent and reasonable basis. This is because contributions paid into the Fund have not been invested separately from those paid by other employers participating in the Fund. As such, as the Lead employer, the full scheme is accounted for in the Trusts accounts. Since 1 January 2012, employees joined The Salvation Army Employees' Defined Contribution Scheme.

The defined benefit scheme assets are measured at fair value at the balance sheet date. Scheme liabilities are measured on an actuarial basis at the balance sheet date using the projected unit method and discounted at a

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rate equivalent to the current rate of return on AA rated corporate bond yields. When scheme assets are in excess of scheme liabilities and the assets are not recoverable, in accordance with FRS102 it is not recognised.

- (vi) The claims costs of the insurance subsidiary comprise claims paid in the period and the change in provisions for outstanding claims, including provisions for claims incurred but not reported. A separate estimate is made for the amounts that will be recoverable from reinsurers based on the gross provisions, having due regard to collectability.

(g) Fixed Assets

- (i) Expenditure on the acquisition or improvement of property is reflected as a fixed asset, whereas costs of repairs and renewals to property are charged to the Statement of Financial Activities. The non-capital element of property schemes is written off in the year in which costs are incurred.
- (ii) Expenditure on the acquisition of vehicles is capitalised and expenditure on computer equipment and other office equipment which exceeds £15,000 in value (individually or for groups of related assets) is capitalised and depreciated over its economic life.
- (iii) In accordance with FRS 102 component accounting has been adopted for Freehold and Long Leasehold properties. A property comprises major components with substantially different useful lives. Depreciation is charged on major components in order to write off the cost of the components to their residual values, over their estimated useful lives, using the straight-line method, as follows

Freehold Land	Not depreciated
Property Schemes in Progress	Not depreciated
Building — Main Fabric (structure)	50 years
<u>Major Components</u>	
Roof structure and covering	50 years
Bathrooms and WCs	20 years
Lifts	25 years
Mechanical and Electrical Systems	25 years
Windows and External Doors	25 years
Kitchens	20 years

Short leasehold properties are depreciated over the term of the lease.

- (iv) Depreciation is provided on other tangible fixed assets at the following rates:

Motor Vehicles	4 years
Office Equipment	4 years

- (v) Goodwill arising on acquisition is amortised on a straight-line basis over the estimated useful life which has been estimated to be 10 years.
- (vi) Other intangible assets consist of patents and trademarks and are being amortised over their estimated useful life of 5 years.

(h) Investments & Investment Properties

To comply with the Charities SORP, investments are included at fair value (their market value bid price). Realised gains on investments are calculated as the difference between sales proceeds and the market value of those investments at the beginning of the financial year.

The Salvation Army Trust holds some investment properties and are recorded at fair value with changes in the market value reported annually in the statement of financial activities. The fair value of the investment property is determined by members of staff with relevant experience and qualifications. For residential properties, the desktop valuation is based on comparable properties in the local area. The data is collected from property portal sites like Rightmove and Zoopla and supported by data of sold and completed properties from HM Land Registry. A valuation by an independent valuer was not performed.

(i) Financial instrument classification

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method.

Financial assets held at amortised cost comprise cash at bank and in hand, together with trade debtors, other debtors, and accrued income. Financial assets held at fair value include investments, including investment properties, excluding cash held as part of the investment portfolio.

Financial liabilities held at amortised cost comprise trade creditors, other creditors, and accruals.

(j) Stocks

- (i) Stocks are valued at the lower of cost and net realisable value.
- (ii) Stock does not include any donated goods, and no products are brought in to be sold. Stock includes books, printed materials, and other media materials together with sheet music and musical instruments.

(k) Cash and short-term deposits

Cash include cash in hand, deposits with banks and funds that are readily convertible into cash at, or close to, their carrying values, but not held for investment purposes. Short-term deposits are amounts that have a maturity at date of acquisition of up to 3 months.

(l) Funds

- (i) The Property Fund represents monies already expended on the acquisition, construction, and improvement of freehold and leasehold properties. Unrestricted designated funds which are applied for property purposes are categorised as restricted giving rise to a transfer during the year.
- (ii) The Endowment Funds are held for restricted purposes, where the income only is available to be used in accordance with the wishes of the donors.
- (iii) The Restricted Funds are held for restricted purposes, as specified by the donors.
- (iv) The Unrestricted Funds include Designated Reserves held for particular purposes designated by the trustee in the exercise of its discretionary powers and General Reserve representing the net assets not designated for specific purposes.

3. MEMBERS' DONATIONS

This represents Salvationists' personal giving to support their local corps (church) and the work of The Salvation Army.

4. GRANTS RECEIVABLE

	Endowments £000	Restricted £000	Unrestricted £000	2025 Total £000	2024 Total £000
Government grants Covid-19	-	-	-	-	16
Other Government grants	-	1,939	69	2,008	1,525
Trusts	286	1,973	138	2,397	2,663
	286	3,912	207	4,405	4,204

Other Government grants are made up of local authority restricted grants to support corps activities of £732k (2024: £825k) other local council grants of £939k (2024: £587k) and other grants of £268k (2024: £113K). The other local council grants have been paid to the corps during the year.

The grants have been recognised in income and have no contingencies attached to these funds. The breakdown of other local council grants is as follows: £887k (2024: £557k) relates to local councils supporting pre-school activities; the remaining £53k (2024: £30k) is split across food bank and warm space support.

5. TRADING INCOME AND EXPENDITURE

	2025 Total £000	2024 Total £000
Local corps charity shops and other trading activities		
Income	12,980	13,448
Expenditure	(7,372)	(7,511)
	<u>5,608</u>	<u>5,937</u>

Funds generated by corps are retained by the corps for use in the local area and are regarded as restricted for that geographical region.

	2025 Total £000	2024 Total £000
Trading subsidiaries		
Income (Note 7)	113,964	103,811
Expenditure (Note 7)	(115,164)	(103,035)
	<u>(1,200)</u>	<u>776</u>

The above turnover figures are as stated in the Statutory accounts of SAGIC and SATCol. On consolidation, the turnover has been reduced by £5,075K (2024: £4,515K) £113,964K compared to SOFA £108,889K (2024: £103,811K compared to SOFA of £99,239K) to eliminate inter-group trading.

6. INVESTMENT INCOME

	2025 Total £000	2024 Total £000
Dividends receivable	1,759	1,762
Interest receivable	1,181	2,999
Rental income from investment properties	3,453	7,211
Income from connected company	2,632	410
Investment income of subsidiary companies (Note 7)	113	147
	<u>9,138</u>	<u>12,529</u>

7. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARIES

The Salvation Army Trust has two wholly owned trading subsidiaries which are incorporated in the UK. The Salvation Army General Insurance Corporation Limited (SAGIC) transacts insurance business, mainly property insurance. The Salvation Army Trading Company Limited (SATCoL) deals with the collection and recycling of second-hand clothing donated by the general public and is engaged in publishing and the supply of Salvationist materials. When possible, both companies make a qualifying donation of part of their profits to The Salvation Army Trust. Where profits are retained, it is for working capital needs and capital for the long-term development of the business. A summary of the trading results of the subsidiary companies for the year ended 31 March 2025 is shown below. Audited accounts of the companies have been filed with the Registrar of Companies.

	SAGIC	SATCoL	2025 Total	2024 Total
	£000	£000	£000	£000
Profit and loss account				
Trading income	25,032	88,932	113,964	103,811
Cost of trading activities:				
Cost of sales	(23,229)	(53,674)	(76,903)	(66,904)
Distribution costs	-	(3,739)	(3,739)	(3,299)
Operating costs	(701)	(33,986)	(34,687)	(32,970)
Other income/(costs) including taxation	(186)	351	165	138
Total cost of trading activities	(24,116)	(91,048)	(115,164)	(103,035)
Covid-19 grant income	-	93	93	16
Investment income	113	118	231	435
Net (loss)/profit	1,029	(1,905)	(876)	1,227
Realised gains/(losses) on investments	19	-	19	(56)
Unrealised gains on investments	32	-	32	101
Net (expenditure)/income for the year	1,080	(1,905)	(825)	1,272
Donation to The Salvation Army Trust	-	-	-	(1,266)
Retained in subsidiary	1,080	(1,905)	(825)	6
	SAGIC	SATCoL	2025	2024
	£000	£000	Total	Total
			£000	£000
Assets, liabilities, and funds				
Assets	22,118	43,852	65,970	58,014
Liabilities	(22,118)	(26,527)	(48,645)	(38,097)
Total funds	-	17,325	17,325	19,917

8. CHARITABLE ACTIVITIES

	Direct Costs	Grants	Support Costs (Notes 9)	2025 Total
	£000	£000	£000	£000
Church and evangelism programmes	51,636	-	17,529	69,165
Community programmes	48,754	-	22,770	71,524
International programmes	2,229	3,160	279	5,668
Training programmes	6,513	-	2,593	9,106
Youth and young people programmes	618	-	3,566	4,184
Grant to Salvation Army Social Work Trust	-	26,263	-	26,263
	109,750	29,423	46,737	185,910

The total cost is net of £5,075k reflecting inter-group trading (SATCol £2,190k and SAGIC £2,885k). Trading activity has correspondingly been reduced by £5,075k (see note 5).

31 March 2024 Charitable Activities

	Direct Costs	Grants	Support Costs (Note 9)	2024 Total
	£000	£000	£000	£000
Church and evangelism programmes	51,411	-	13,005	64,416
Community programmes	47,448	-	16,894	64,342
International programmes	2,115	6,583	208	8,906
Training programmes	5,767	-	1,924	7,691
Youth and young people programmes	461	-	2,642	3,103
Grant to Salvation Army Social Work Trust	-	29,652	-	29,652
	107,202	36,235	34,673	178,110

Church and Evangelism Programmes comprise Christian worship, teaching, and promotion of the Christian message at corps, regional and national events.

Community Programmes are organised by our corps to meet the needs of their local communities. The programmes offered are available to all and include activities for children, young people, families, and older people as well as assistance for those in need.

International Programmes comprise support for the work of The Salvation Army worldwide. This includes grants paid to The Salvation Army International Trust and to overseas Salvation Army territories for projects to alleviate poverty in local communities.

Training Programmes represent the cost of William Booth College which trains people to become Salvation Army officers and provides learning and development opportunities for employees and officers.

Youth and Young People Programmes represent the cost of work within The Salvation Army for young people and adults aged 12-25 and other nationally organised programmes.

Grant to The Salvation Army Social Work Trust comprises grants payable to support the running of Salvation Army Life houses, care homes and other programmes and other costs incurred in supporting social programmes.

Support Costs represent centrally supplied services.

9. SUPPORT COSTS

	Finance	HR	IT	Property	Communication	Other	Legal & Secretarial	2025 Total	2024 Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Fundraising	97	52	149	128	178	57	18	679	504
Church and evangelism programmes	2,443	1,730	3,759	3,220	4,481	1,432	464	17,529	13,005
Community programmes	3,180	2,212	4,891	4,190	5,831	1,863	603	22,770	16,894
International programmes	40	21	61	53	73	23	8	279	208
Training programmes	370	199	570	488	679	217	70	2,593	1,924
Youth and young people programmes	509	274	783	671	934	298	97	3,566	2,642
	6,639	4,488	10,213	8,750	12,176	3,890	1,260	47,416	35,177
Total 2024	6,062	3,752	9,649	4,907	6,267	3,253	1,287		35,177

An analysis of governance costs included above is set out in Note 10 below.

Fundraising support costs of £679k (2024: £504k) are included within this note but not within the support costs column presented in Note 8, as these costs are not included within Charitable Activities.

10. GOVERNANCE COSTS

a) Absorbed within support costs were the following governance costs:

	2025 £000	2024 £000
External audit	194	155
Internal audit	610	602
Trustee indemnity insurance	40	35
Apportionment of directors' time	187	173
	<u>1,031</u>	<u>965</u>

b) Group auditor's remuneration

	2025 £000	2024 £000
Audit of charity - base fee	194	155
Audit of charity - first year audit transition fees	219	-
Audit of subsidiaries	74	63
Total audit	<u>487</u>	<u>218</u>
Audit related assurance services	-	21
Non-audit services	263	179
Total fees	<u>750</u>	<u>418</u>

11. PERSONNEL

The average number of officers and employees was:

	2025 Headcount Number	2024 Headcount Number (restated)
<i>Trust</i>		
Number of officers	801	846
Number of employees	1,610	1,519
	<u>2,411</u>	<u>2,365</u>
<i>Subsidiaries</i>	<u>1,313</u>	<u>1,155</u>
Total	<u>3,724</u>	<u>3,520</u>

The comparatives have been restated due to an error in the prior year calculation.

	Trust £000	Subsidiaries £000	2025 Total £000	2024 Total £000
Personnel costs				
Allowances and salaries	68,779	36,727	105,506	94,302
Social security costs	6,244	3,386	9,630	9,320
Pension fund contributions (current service)	5,967	2,527	8,494	7,462
	<u>80,990</u>	<u>42,640</u>	<u>123,630</u>	<u>111,084</u>
Temporary agency staff costs	1,951	-	1,951	2,778

Redundancy costs

Redundancy costs relating to employees amounted to £227,346 (2024: £300,486). These costs are the result of staff restructuring. Redundancy costs are recognised once a decision to make a post redundant has been communicated to an individual or the workforce.

There are redundancy and termination payment liabilities of £nil for 2025 (2024: £nil).

Higher paid employees

The number of employees whose emoluments amounted to over £60,000 in the year was as follows:

	Trust No.	Subsidiaries No.	2025 Total No.	2024 Total No.
£60,001 - £70,000	57	14	71	39
£70,001 - £80,000	29	7	36	24
£80,001 - £90,000	14	4	18	11
£90,001 - £100,000	1	4	5	6
£100,001 - £110,000	4	1	5	4
£110,001 - £120,000	4	2	6	6
£120,001 - £130,000	2	3	5	2
£130,001 - £140,000	-	1	1	2
£140,001 - £150,000	-	1	1	-
£170,001 - £180,000	-	-	-	2
£180,001 - £190,000	-	1	1	-
£220,001 - £230,000	-	-	-	1
	111	38	149	97

Key management personnel

The key management personnel of the Trust are those persons having authority and responsibility for planning, directing, and controlling the activities of the Trust, directly or indirectly, including the directors of The Salvation Army Trustee Company as the Corporate Trustee of the Trust. The Trustee considers the key management personnel of the Trust to be the executive directors (officers and employees) of the Board. The total aggregate emoluments, including pension contributions and national insurance contributions, paid to key management personnel during the year was £1,731,179 (£187,349 was paid by Social Work Trust and £1,543,830 was paid by Salvation Army Trust) (2024: £1,445,473).

12. TRUSTEES

(a) Emoluments:

The directors of The Salvation Army Trustee Company comprise Salvation Army officers and other external directors with specialist expertise. All active Salvation Army officers receive an allowance based on length of service and, as ministers of religion, are provided with furnished accommodation and a motor vehicle. The allowances received by the officers serving as directors ranged from £19,641.90 to £27,916.75 per annum (2024: £19,377.96 to £25,471.57) and they did not receive any additional remuneration for their duties as directors.

Salvation Army officers who are members of SATCO have 13 (2024: 8) family members who are officers and are paid an allowance in accordance with The Salvation Army Act. The allowances received by these family members ranged from £8,153.47 - £26,804.35 per annum in 2024/25 (2024: £4,538.84 - £18,531.47)

The following members of SATCO and TOB have family members who are employed by The Salvation Army Trust in support roles, and their total remuneration is £182,073.11 (2024: £177,693.04). The amounts paid are in accordance with the normal scale rates for the roles they perform.

Trustee	Close Family Position
Commissioner Paul Main	Financial Accountant
Commissioner Paul Main	Divisional Youth Specialist
Lieut-Colonel David Shakespeare	Tutor in Retirement
Major Mike Lloyd-Jones	Resource Coordinator
Mitch Menagh	Business and Facilities Manager
Mitch Menagh	Support Worker

(b) Expenses

No (2024: none) directors of The Salvation Army Trustee Company were reimbursed for travelling, accommodation or subsistence expenses, amounting to £0 (2024: £0).

13. PENSION AND SIMILAR COSTS

The Salvation Army Trust may make contributions to three pension or similar schemes in respect of its officers or staff:

- (i) The Salvation Army Officers Pension Fund relating to Salvation Army officers;
- (ii) The Salvation Army Employees' Pension Fund for other staff, a defined benefit scheme which closed to new members with effect from 31 December 2011 and ceased accruing benefits for existing members on 30 April 2023.
- (iii) A defined contribution scheme set up to offer employees who are not members of the Salvation Army Employees' Pension Fund the opportunity to join a pension scheme following the closure of the Employee Pension Scheme to new members with effect from 31 December 2011.

Amounts charged in respect of pension fund contributions for the year are disclosed in Note 12 above.

(a) **SALVATION ARMY OFFICERS PENSION FUND**

The Salvation Army Officers Pension Fund ("the Fund") was established by The Salvation Army Act 1963 under the legal name, The Salvation Army Officers Pension Fund. It is a registered charity and retirement benefits are not guaranteed and are paid at the discretion of the Board of the Fund. It is non-contributory and is funded by Salvation Army trusts (including The Salvation Army Trust and The Salvation Army Social Work Trust); however, there have been no payments made to the Fund during the current year. Officers that serve in the principal Trusts (The Salvation Army Trust and The Salvation Army Social Work Trust) may receive a retirement allowance from the Fund in the future, although, it is not possible to allocate the assets and constructive liabilities of the Fund between the Trusts. Therefore, whilst the Fund is not legally defined as a pension scheme, purely for the purposes of accounting, it is accounted for as a defined benefit pension scheme in each of the principle employers' accounts.

The Salvation Army Officers Pension Fund was subject to a triennial actuarial review on 31 March 2022. This actuarial valuation indicated that the Fund was in surplus on the funding basis. As such, no additional contributions are currently required to fund a deficit in the Fund. Following this valuation, it was also agreed that regular contributions into the Fund would cease until the next valuation as at 31 March 2025.

The calculations for the FRS102 disclosures have been carried out by running full actuarial calculations as at 31 March 2025 and the disclosures are shown below.

The Fund is ordinarily funded by means of regular contributions to cover current retirement benefit accrual, with the rate of contributions determined at each triennial valuation. The funding method currently employed is the Attained Age Method which measures the increase in the funding target relating to future benefits expected to accrue to active Officers over the period to retirement or earlier leaving service. Additional contributions are made to cover any shortfalls that arise following each valuation. The Board of the Fund determine the level of contributions payable to it following agreement with the principal trusts of the Army and the advice of the fund actuary.

There have been no amendments to the Fund during the year, and no special events have occurred.

Obligations for the Salvation Army in respect of the Salvation Army Officers Pension Fund

	31/03/2025 (£'000)	31/03/2024 (£'000)
Fair value of fund assets	240,454	258,768
Present value of funded obligations	(150,974)	(174,685)
Net overfunding in fund	89,480	84,083
Unrecognised assets	(89,480)	(84,083)
Net defined benefit asset	-	-

The amounts recognised in the expenditure section of the Statement of Financial Activities are as follows:

	31/03/2025 (£'000)	31/03/2024 (£'000)
Service cost	3,566	3,705
Administration expenses	245	270
Expense recognised in expenditure section of statement of financial activities	<u>3,811</u>	<u>3,975</u>

The net interest on net defined benefit liability item is broken down as follows:

	31/03/2025 (£'000)	31/03/2024 (£'000)
Interest on obligation	8,339	8,029
Interest on assets	(12,459)	(12,412)
Net Interest on net defined benefit liability	<u>(4,120)</u>	<u>(4,383)</u>

	31/03/2025 (£'000)	31/03/2024 (£'000)
Return on assets (not included in interest)	(21,415)	(13,011)
Actuarial gains on obligation	26,502	3,441
Change in asset ceiling value	(1,276)	13,545
Total amount recognised in actuarial gains/(losses)	<u>3,811</u>	<u>3,975</u>
Actual return on fund assets	<u>(8,956)</u>	<u>(600)</u>

No contributions to the fund were paid by the Army over the year from 1 April 2024 to 31 March 2025.

No contributions to the fund are expected from the Army over the next year from 1 April 2025 to 31 March 2026.

Changes in the present value of the fund's defined benefit liability are as follows:

	31/03/2025 (£'000)	31/03/2024 (£'000)
Opening defined benefit liability	174,685	175,283
Service cost	3,566	3,705
Benefits paid	(9,114)	(8,891)
Interest on obligation	8,339	8,029
Actuarial (gains) on fund liabilities	(26,502)	(3,441)
Closing defined benefit liability	<u>150,974</u>	<u>174,685</u>

The weighted average duration of the liabilities of the Fund was 12 years as at 31 March 2024.

Changes in the fair value of fund assets are as follows:

	31/03/2025 (£'000)	31/03/2024 (£'000)
Opening fair value of fund assets	258,769	268,529
Interest on assets	12,459	12,412
Return on assets (not included in interest)	(21,415)	(13,011)
Contributions by employer	-	-
Benefits paid	(9,114)	(8,891)
Administration expenses	(245)	(270)
	<u>240,454</u>	<u>258,769</u>

The major categories of fund assets as a percentage of the total are as follows:

	31/03/2025 (%)	31/03/2024 (%)
Equities	30.4	30.5

Index linked bonds	68.1	68.0
Cash	1.5	1.5

All of the fund's assets have a quoted market price in an active market. The fund does not hold any property or other assets used by the Army.

Principal actuarial assumptions used for the FRS 102 disclosures:

	31/03/2025 (%)	31/03/2024 (%)
Discount rate at end of year	5.8	4.9
Discount rate at start of year	4.9	4.7
Inflation	3.05	3.5
Rate of increase in allowances	3.55	4.0

Mortality assumptions

The mortality assumptions are based on standard mortality tables which allow for future mortality improvements.

The assumptions are that an officer aged 65 will live on average until age 88 if they are male and until age 89 if female.

For an officer currently aged 55 the assumptions are that if they attain age 65, they will live on average until age 88 if they are male and until age 90 if female.

(b) SALVATION ARMY EMPLOYEES PENSION FUND

The Trust is a participating employer of the Salvation Army Employees' Pension Fund ("the Fund"), a defined benefit scheme.

A valuation of the Fund for the purposes of these disclosures was carried out at 31 March 2025 by an independent actuary. The major assumptions used by the actuary, together with those used in the previous year, were: -

Employee benefit obligations for the Salvation Army in respect of the Salvation Army Employees' Pension Fund

	31/03/2025 (£'000)	31/03/2024 (£'000)
Fair value of fund assets	164,449	199,547
Present value of funded obligations	(111,685)	(148,777)
Net overfunding in fund	52,764	50,770
Unrecognised assets	(52,764)	(50,770)
Net defined benefit asset	-	-

The amounts recognised in the expenditure section of the Statement of Financial Activities are as follows:

	31/03/2025 (£'000)	31/03/2024 (£'000)
Service cost	-	89
Administration expenses	670	680
Net Interest on net defined benefit liability	-	(9)
Expense recognised in expenditure section of statement of financial activities	670	760

The net interest on net defined benefit liability item is broken down as follows:

	31/03/2025 (£'000)	31/03/2024 (£'000)
Interest on obligation	6,409	6,789
Interest on assets	(8,897)	(9,915)
Net interest on net defined benefit liability	(2,488)	(3,126)

The amounts recognised as actuarial gains/(losses) of the pension fund are as follows:

	31/03/2025 (£'000)	31/03/2024 (£'000)
Return on assets (not included in interest)	(22,133)	(17,743)
Actuarial gains on obligation	22,309	(465)
Change in unrecognised assets (other than interest)	494	18,680
Total amount recognised in actuarial gains/(losses)	670	472
Actual return on fund assets	(13,236)	(7,828)

The Army and the participating employers contributed £nil (2024: £288k) to the fund over the year from 1 April 2024 to 31 March 2025. Members of the fund contributed £nil (2024: £90k) to the fund over the same period.

No contributions to the fund are expected from the Army, the other participating employers or from members over the next year from 1 April 2025 to 31 March 2026.

Changes in the present value of the fund's defined benefit obligation are as follows:

	31/03/2025 (£'000)	31/03/2024 (£'000)
Opening defined benefit obligation	148,777	147,530
Exclusion of DC AVCs	(14,848)	-
Current service cost	-	89
Contributions by members	-	90
Benefits paid	(6,344)	(6,186)
Interest on obligation	6,409	6,789
Actuarial (gains)/losses on fund liabilities	(22,309)	465
Closing defined benefit obligation	111,685	148,777

The weighted average duration of the liabilities of the fund was 14 years as at 31 March 2025.

Changes in the fair value of fund assets are as follows:

	31/03/2025 (£'000)	31/03/2024 (£'000)
Opening fair value of fund assets	199,547	213,863
Exclusion of DC AVCs	(14,848)	-
Interest on assets	8,897	9,915
Return on assets (not included in interest)	(22,133)	(17,743)
Contributions by employer	-	288
Contributions by members	-	90
Benefits paid	(6,344)	(6,186)
Administration expenses	(670)	(680)
Closing fair value of fund assets	164,449	199,547

Due to the change in actuary in the year, the treatment of AVC's in the fund assets and defined benefit obligations has changed from the prior year. As can be see above, the DC AVCs have been excluded from both the assets and defined benefit obligations in the current year whereas they were included in the prior year. The change in treatment has no impact on the overall net pension asset.

	31/03/2025 (%)	31/03/2024 (%)
Equities gilts	75.5	46.8
Index linked bonds	23.6	43.6
Cash	0.9	2.2
AVC's	-	7.4

All of the fund's assets have a quoted market price in an active market. The fund holds no financial instruments issued by the Employers, nor holds any property or other assets used by the Army.

Principal actuarial assumptions used for the FRS 102 disclosures:

	31/03/2025 (%)	31/03/2024 (%)
Discount rate at end of year	5.8	4.9
Discount rate at start of year	4.9	4.7
Inflation	3.0	3.5
Rate of increase in pensionable salaries	3.5	3.9
Rate of increase in deferred pensions - pre-2009	2.6	3.2
Rate of increase in deferred pensions - post 2009	2.5	2.5
Rate of increase in pensions in payment - LPI 5%	2.85	3.3
Rate of increase in pensions in payment - LPI 2.5%	2.0	2.3

Mortality assumptions

The mortality assumptions are based on standard mortality tables which allow for future mortality improvements.

The assumptions are that a member aged 65 will live on average until age 86 if they are male and until age 89 if female.

For a member currently aged 50 the assumptions are that if they attain age 65, they will live on average until age 87 if they are male and until age 90 if female.

14. INTANGIBLE FIXED ASSETS

Consolidated	Goodwill £000	Other £000	Total £000
Cost			
Balance at 1 April 2024	435	769	1,204
Additions	307	160	467
Balance as at 31 March 2025	742	929	1,671
Accumulated depreciation			
Balance at 1 April 2024	435	621	1,056
Charge for the year	43	135	178
Balance as at 31 March 2025	478	756	1,234
Net book value at 31 March 2025	264	173	437
Net book value at 31 March 2024	-	148	148

Intangible fixed assets represent the goodwill arising on acquisition, by the Trust's subsidiary company SATCoL, of the business operations and net assets of Kettering Textiles Limited. The goodwill is being amortised over 10 years. The Trust has no intangible fixed assets.

Other intangible assets in the Trust's subsidiary SATCoL are represented by:

	2005 £000	2024 £000
Patents and licences	628	625
Development costs	301	144
	929	769

15. PROPERTIES

(a) Consolidated

	Freehold	Long Leasehold	Short Leasehold	Total	Property Schemes In Progress
	£000	£000	£000	£000	£000
Cost					
Balance at 1 April 2024	498,438	41,734	229	540,401	10,455
Additions during the year	17,991	2,919	-	20,910	5,139
Transfers from investment properties	2,475	120	-	2,595	-
Transfers to investment properties	(1,777)	(724)	-	(2,501)	-
Schemes completed during the year	9,062	-	-	9,062	(9,062)
	526,189	44,049	229	570,467	6,532
Less: disposals	(13,901)	(1,675)	-	(15,576)	(2,600)
Balance as at 31 March 2025	512,288	42,374	229	554,891	3,932
Accumulated depreciation					
Balance at 1 April 2024	147,641	12,633	227	160,501	-
Charge for the year	9,290	1,177	1	10,468	-
Transfers to investment properties	(844)	(288)	-	(1,132)	-
Less: disposals	(4,841)	(410)	-	(5,251)	-
Balance as at 31 March 2025	151,246	13,112	228	164,586	-
Net book value at 31 March 2025	361,042	29,262	1	390,305	3,932
Net book value at 31 March 2024	350,797	29,101	2	379,900	10,455

(b) Trust

	Freehold	Long Leasehold	Short Leasehold	Total	Property Schemes In Progress
	£000	£000	£000	£000	£000
Cost					
Balance at 1 April 2024	493,427	37,164	229	530,820	10,455
Additions during the year	17,637	2,818	-	20,455	5,139
Transfers from investment properties	2,475	120	-	2,595	-
Transfers to investment properties	(1,777)	(724)	-	(2,501)	-
Schemes completed during the year	9,062	-	-	9,062	(9,062)
	520,824	39,378	229	560,431	6,532
Less: disposals	(13,901)	(1,675)	-	(15,576)	(2,600)
Balance as at 31 March 2025	506,923	37,703	229	544,855	3,932
Accumulated depreciation					
Balance at 1 April 2024	147,196	11,596	227	159,019	-
Charge for the year	9,128	863	1	9,992	-
Transfers to investment properties	(844)	(288)	-	(1,132)	-
Less: disposals	(4,841)	(410)	-	(5,251)	-
Balance as at 31 March 2025	150,639	11,761	228	162,628	-
Net book value at 31 March 2025	356,284	25,942	1	382,227	3,932
Net book value at 31 March 2024	346,231	25,568	2	371,801	10,455

Trust properties comprise primarily corps halls, divisional and Territorial Headquarters buildings and residential properties for active and retired officers.

Property Schemes are projects consisting of major repairs, refurbishment work, extensions which have been approved by Board together with an agreed funding package. They are predominantly of a capital nature and typically take

over a year to complete. The schemes in progress consist of schemes that the relevant property project manager has confirmed as being incomplete at the financial yearend.

16. MOTOR VEHICLES AND EQUIPMENT

(a) Consolidated

	Motor Vehicles £000	Office Equipment £000	Total £000
Cost			
Balance at 1 April 2024	6,067	48,787	54,854
Additions	1,025	6,113	7,138
Disposals	(38)	(296)	(334)
Balance as at 31 March 2025	7,054	54,604	61,658
Accumulated depreciation			
Balance at 1 April 2024	1,417	26,949	28,366
Charge for the year	1,317	5,623	6,940
Disposals	(12)	(265)	(277)
Balance as at 31 March 2025	2,722	32,307	35,029
Net book value at 31 March 2025	4,332	22,297	26,629
Net book value at 31 March 2024	4,650	21,838	26,488

(b) Trust

	Motor Vehicles £000	Office Equipment £000	Total £000
Cost			
Balance at 1 April 2024	1,001	12,240	13,241
Additions	69	2,075	2,144
Balance as at 31 March 2025	1,070	14,315	15,385
Accumulated depreciation			
Balance at 1 April 2024	559	4,421	4,980
Charge for the year	167	2,534	2,701
Balance as at 31 March 2025	726	6,955	7,681
Net book value at 31 March 2025	344	7,360	7,704
Net book value at 31 March 2024	442	7,819	8,261

17. FIXED ASSET INVESTMENTS

(a) Consolidated

	Investment Properties	Salvation Army Common Investment Funds		Unlisted Investments	Subsidiaries Listed Investments	Total
	£000	Fund 1 £000	Fund 2 £000	£000	£000	£000
Market value as at 1 April 2024	71,050	6,713	244,114	10,598	1,545	334,020
Additions	-	-	20,000	286	5,343	25,629
Transfers from properties	1,369	-	-	-	-	1,369
Gain/(loss)	10,406	(256)	(3,698)	(843)	50	5,659
Disposals	(10,600)	-	-	-	(1,546)	(12,146)
Transfers to properties	(2,595)	-	-	-	-	(2,595)
Market value at 31 March 2025	69,630	6,457	260,416	10,041	5,392	351,936
Historical Cost at 31 March 2025	10,322	2,963	126,700	10,523	3,263	153,771

(b) Trust

	Investment Properties	Salvation Army Common Investment Funds		Unlisted Investments	Subsidiaries Listed Investments	Total
	£000	Fund 1 £000	Fund 2 £000	£000	£000	£000
Market value as at 1 April 2024	71,050	6,713	244,114	10,598	4,967	337,442
Additions	-	-	20,000	286	-	20,286
Transfers from properties	1,369	-	-	-	-	1,369
Gain/(loss)	10,406	(256)	(3,698)	(843)	-	5,609
Disposals	(10,600)	-	-	-	-	(10,600)
Transfers to properties	(2,595)	-	-	-	-	(2,595)
Market value at 31 March 2025	69,630	6,457	260,416	10,041	4,967	351,511
Historical cost at 31 March 2025	10,322	2,963	126,700	10,523	4,967	155,475

The Group's property portfolio is reviewed annually to identify investment properties, which are those properties held to earn income or for capital appreciation rather than to be used for its charitable purposes. Properties no longer used for charitable purposes but retained until market conditions allow their disposal are not treated as investment properties, provided disposal is intended within a three-year window.

After initial recognition, investment property is measured at its fair value. The fair value of the investment property is determined by members of staff with relevant experience and qualifications. For residential properties, the desktop valuation is based on comparable properties in the local area. The data is collected from property portal sites like Rightmove and Zoopla and supported by data of sold and completed properties from HM Land Registry. A valuation by an independent valuer was not performed.

The Salvation Army has a few properties that were previously used for mission but are now let to external tenants for at least 3 years and are classified as investment properties.

These properties were valued through a process of property inspection, market analysis, lease review and a valuation calculation using the investment/income method of valuation. If it was considered that the site has development value, then a residual valuation was undertaken to ascertain its impact on fair value. All valuations were prepared on the basis of market value as defined in the RICS Valuation - Global Standards.

Unlisted Investments represent a 20% holding in William Leech (Investments) Limited. It is not considered to be an associated company and is valued in both the Trust and Consolidated Balance Sheets at share of underlying net assets which equates to its fair value.

	2025 £000	2024 £000
William Leech (Investments) Limited	10,038	10,596
Other	2	2
	<u>10,040</u>	<u>10,598</u>

Subsidiaries are accounted for at cost in the Trust Balance Sheet. The Consolidated Balance Sheet includes the subsidiaries' own listed investments.

Common Investment Funds

The Salvation Army Common Investment Funds hold a wide range of investments. The principal categories of investment and the relevant percentages held at the year-end were as follows:

	Fund 1	Fund 2
Cash	4%	3%
UK Equities	15%	13%
UK Property Funds	0%	0%
Overseas Investments	81%	84%

18. DEBTORS

	Consolidated		Trust	
Amounts due within one year	2025 £000	2024 £000	2025 £000	2024 £000
Connected Salvation Army Trusts and companies	1,614	799	407	663
Amounts owed by group undertakings	-	-	6,844	8,301
Taxation recoverable	1,444	1,223	1,388	202
Trade debtors	2,478	1,879	758	832
Prepayments and accrued income	93,219	80,633	88,620	76,077
Other debtors	10,242	11,940	903	2,555
	<u>108,997</u>	<u>96,474</u>	<u>98,920</u>	<u>88,630</u>
Amounts due over one year				
Sale of Reliance Bank valued at NPV	3,133	2,578	3,133	2,578
Connected Salvation Army Trusts and companies	565	-	565	-
	<u>112,695</u>	<u>99,052</u>	<u>102,618</u>	<u>91,208</u>

The sale of Reliance Bank valued at NPV figure of £3,133k (2024: £2,578k) is the deferred consideration due in connection with the sale of shares in Reliance Bank in 2018/19 and which is receivable after more than one year. As the proceeds will be received over an extended period of time, the deferred consideration has been discounted to the net present value, and the increase in the debtor of £275k (2024: £66K reduction) is the financing credit recognised in the SOFA for the current year.

19. CREDITORS: amounts falling due within one year

Amounts due within one year	Consolidated		Trust	
	2025 £000	2024 £000	2025 £000	2024 £000
Bank loans	41	23	41	23
Amounts owed to Connected Salvation Army Trusts	14,149	57,740	14,149	57,740
Accruals and deferred income	18,429	17,615	5,415	6,461
Trade creditors	8,668	8,674	5,235	5,392
Other creditors	4,072	653	4,010	284
	<u>45,359</u>	<u>84,705</u>	<u>28,850</u>	<u>69,900</u>

Included in Amounts owed to Connected Salvation Army Trusts last year was £35m bank deposit held on behalf of Social Work Trust.

20. CREDITORS: amounts falling due after one year

Amounts due within one year	Consolidated		Trust	
	2025 £000	2024 £000	2025 £000	2024 £000
Bank loans	<u>252</u>	<u>309</u>	<u>252</u>	<u>309</u>

There are 6 loans in total placed with Reliance Bank, the length of loans range from 15 years to 25 years, the secured loans to the trust incur interest at 1.5% above the Reliance Bank base rate.

Bank Loans

	Consolidated		Trust	
	2025 £000	2024 £000	2025 £000	2024 £000
<i>Repayable by instalments</i>				
Within one year	41	23	41	23
More than one year, less than five years	96	93	96	93
More than five years	156	216	156	216
	<u>293</u>	<u>332</u>	<u>293</u>	<u>332</u>

Claims provision

	Consolidated		Trust	
	2025 £000	2024 £000	2025 £000	2024 £000
Balance brought forward	6,612	7,115	-	-
Provision utilised	(5,079)	(5,910)	-	-
Provision released	1,086	742	-	-
Additional provision	3,703	4,665	-	-
	<u>6,322</u>	<u>6,612</u>	<u>-</u>	<u>-</u>

The above provisions wholly relate to activity from SAGIC, a wholly owned subsidiary of The Salvation Army Trust whose principal activity is transacting property insurance in the United Kingdom. SAGIC also provides home and contents insurance to officers, members and supporters of The Salvation Army as well as to the general public. As part of its insuring activity insurance claims are received and accounted for along claims handling expenses and settled throughout the year.

Deferred income

	Consolidated 2025 £000	Parent 2025 £000
Balance at 1 April 2024	5,262	-
Additions during the year	1,269	-
	<u>6,531</u>	<u>-</u>
Released during the year	(125)	-
Balance at 31 March 2025	<u>6,406</u>	<u>-</u>

£6.41m (2024: £5.26m) deferred income relates to SAGIC provision for unearned premiums.

21. ENDOWMENTS (Consolidated and Trust)

	Balance 1 April 2024 £000	Income £000	Expenditure £000	Transfers £000	Gains / (losses) £000	Balance 31 March 2025 £000
Permanent endowments						
E.S. Brant	2,626	-	-	-	(123)	2,503
Sir James Reckitt Trust	945	-	-	-	(29)	916
W.J. Davis Trust	1,500	-	-	-	(65)	1,435
Other	1,601	-	-	-	(38)	1,563
	<u>6,672</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(255)</u>	<u>6,417</u>
Expendable endowments						
William Leech Fund	10,616	286	-	-	(845)	10,057
Total	<u>17,288</u>	<u>286</u>	<u>-</u>	<u>-</u>	<u>(1,100)</u>	<u>16,474</u>

The E.S. Brant Fund was formerly a separate Salvation Army Trust. Its purpose is evangelical work.

The Sir James Reckitt Trust was set up in 1916 for the benefit of the work of The Salvation Army in Hull. By administrative decision, the income is allocated as to 7/8ths for corps purposes and 1/8th for Men's Social Work.

The W.J. Davis Trust was set up in 1991 to support the work of the Midnight Patrol and the annual income is transferred to the Social Trust to fund this work.

The William Leech Fund was initially set up in 1955 with annual donations thereafter. It is represented by a 20% holding of shares in William Leech (Investments) Limited, with the other shares held equally by four other Christian charities.

Comparative	Balance 1 April 2023 £000	Income £000	Expenditure £000	Transfers £000	Gains / (losses) £000	Balance 31 March 2024 £000
Permanent endowments						
E.S. Brant	2,183	-	-	-	443	2,626
Sir James Reckitt Trust	841	-	-	-	104	945
W.J. Davis Trust	1,265	-	-	-	235	1,500
Other	1,464	-	-	-	137	1,601
	<u>5,753</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>919</u>	<u>6,672</u>
Expendable endowments						
William Leech Fund	9,485	271	-	-	860	10,616
Total	<u>15,238</u>	<u>271</u>	<u>-</u>	<u>-</u>	<u>1,779</u>	<u>17,288</u>

22. RESTRICTED PROPERTY FUND (Consolidated and Trust)

Funding of properties for charitable purposes

	Balance 1 April 2024 £000	Income £000	Expenditure £000	Transfers £000	Gains / (losses) £000	Balance 31 March 2025 £000
Consolidated and Trust	352,212	5,255	(14,016)	23,623	-	367,074
Comparative						
	Balance 1 April 2023 £000	Income £000	Expenditure £000	Transfers £000	Gains / (Losses) £000	Balance 31 March 2024 £000
Consolidated and Trust	343,786	12,696	(25,411)	21,141	-	352,212

23. OTHER RESTRICTED FUNDS (Consolidated and Trust)

	Balance 1 April 2024 £000	Income £000	Expenditure £000	Transfers £000	Gains / (losses) £000	Balance 31 March 2025 £000
Corps funds	55,368	46,382	(44,925)	(815)	-	56,010
Legacy reserves	89,658	16,571	(10,170)	-	-	96,059
Trust funds	2,478	55	(291)	(20)	(64)	2,158
Specific donations	13,149	3,372	(2,117)	157	-	14,561
Consolidated and Trust	160,653	66,380	(57,503)	(678)	(64)	168,788
Comparative						
	Balance 1 April 2023 £000	Income £000	Expenditure £000	Transfers £000	Gains / (Losses) £000	Balance 31 March 2024 £000
Corps funds	53,660	44,831	(40,241)	(2,882)	-	55,368
Legacy reserves	84,466	5,920	(728)	-	-	89,658
Trust funds	2,335	27	(355)	-	471	2,478
Specific donations	14,086	2,929	(5,697)	1,831	-	13,149
Consolidated and Trust	154,547	53,707	(47,021)	(1,051)	471	160,653

24. UNRESTRICTED FUNDS (Consolidated and Trust)

	2025 £000	2024 £000
Designated funds (i)	290,280	268,414
General reserve (ii)	70,257	102,218
Consolidated	360,537	370,632

The consolidated unrestricted funds include general reserves (which includes non-charitable trading funds) and designated funds. General reserves are utilised to fund the day-to-day needs of The Salvation Army. These were £70m as at 31 March 2025 (2024: £102m). The designated funds are unrestricted but set aside by the directors for specific purposes, £290m (2024: £268m).

	Balance 1 April 2024 £000	Income £000	Expenditure £000	Transfers £000	Gains / (losses) £000	Balance 31 March 2025 £000
Property purposes	61,422	6	(495)	29,484	-	90,417
Investment property	69,708	-	-	-	10,406	80,114
Unrealised gains						
Other investments	108,534	-	-	-	(3,907)	104,627
Unrealised gains						
Divisional headquarters	6,088	309	(471)	80	-	6,006
Reserves	22,662	-	(1,007)	(12,539)	-	9,116
Other						-
Designated funds (i)	268,414	315	(1,973)	17,025	6,499	290,280
General reserve (ii)	102,218	266,061	(258,376)	(39,970)	324	70,257
Consolidated	370,632	266,376	(260,349)	(22,945)	6,823	360,537

£24m transfers from unrestricted to restricted relates to property projects. Whilst some projects are funded by restricted sources such as legacies, most come from the designated property reserves. With several hundred projects ongoing, the £24m represents a net inflow of funding into projects compared to an outflow (sales projects) during the year.

(i) Designated funds

The Unrestricted Funds of The Salvation Army include the following designated reserves which have been set aside by the directors for specific purposes. Designated funds are kept under review by SATCO to ensure their purpose remains in the medium term.

- Property purposes: the reserve includes Property Sold Reserve where money is set aside to spend on future property projects determined by the directors, and the Major Component Replacements Reserve which holds funds required for upcoming major spends.
- Investment property unrealised gains: the reserve holds the value of unrealised gains / losses on investment property
- Other investments unrealised gains: the reserve holds the value of unrealised gains / losses on other investments separate unrecognised gains still subject to market risk.
- Divisional headquarters reserves: the reserves hold funds required for programmes and initiatives directed by the board for specific divisional headquarters use.
- Other: the reserves hold funds other than the above-mentioned purposes. These include £nil in respect of the Officers Pension Fund (2024: £7.5m), £nil provision against the, now closed, employees Defined Benefit scheme (2024: £7.3m), Corps Initiatives and training £6.2m (2024: £5.2m) and a Legal liability reserve £1.4m (2024: £1.5m).

(ii) General reserve

This is required to fund the day-to-day needs of The Salvation Army.

Comparative

	2024 £000	2023 £000
Designated funds (i)	268,414	236,728
General reserve (ii)	102,218	103,076
Consolidated	370,632	339,804

	Balance 1 April 2023	Income	Expenditure	Transfers	Gains / (Losses)	Balance 31 March 2024
	£000	£000	£000	£000	£000	£000
Property purposes	58,342	1,517	(1,414)	2,977	-	61,422
Investment property unrealised gains	70,297	-	-	-	(589)	69,708
Other investments unrealised gains	81,322	-	-	(1)	27,213	108,534
Divisional headquarters reserves	5,879	228	(225)	206	-	6,088
Other	20,888	102	(2,048)	3,720	-	22,662
Designated funds (i)	236,728	1,847	(3,687)	6,902	26,624	268,414
General reserve (ii)	103,076	258,797	(232,764)	(26,992)	101	102,218
Consolidated	339,804	260,644	(236,451)	(20,090)	26,725	370,632

25. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

Fund Balances at 31 March 2025 are represented by:

	Endowment Funds	Restricted Funds		Unrestricted Funds	Total Funds
	£000	Property £000	Other £000	£000	£000
Intangible assets	-	-	-	437	437
Fixed assets	-	367,074	-	53,792	420,866
Investments	16,474	-	112,778	222,684	351,936
Current assets	-	-	56,010	135,557	191,567
Current liabilities	-	-	-	(45,359)	(45,359)
Long-term liabilities	-	-	-	(6,574)	(6,574)
Total Net Assets	16,474	367,074	168,788	360,537	912,873

Fund Balances at 31 March 2024 are represented by:

	Endowment Funds	Restricted Funds		Unrestricted Funds	Total Funds
	£000	Property £000	Other £000	£000	£000
Intangible assets	-	-	-	148	148
Fixed assets	-	352,212	-	64,631	416,843
Investments	17,288	-	102,346	214,386	334,020
Current assets	-	-	58,307	183,093	241,400
Current liabilities	-	-	-	(84,705)	(84,705)
Long-term liabilities	-	-	-	(6,921)	(6,921)
Total net assets	17,288	352,212	160,653	370,632	900,785

26. CAPITAL COMMITMENTS

The directors are continuing the process of refurbishing and developing Salvation Army properties. At the Balance Sheet date, capital commitments both contracted for, and board approved not yet contracted for entered by The Salvation Army Trust in respect of property capital schemes amounted to £3.1m (2024: £7.3m).

27. OPERATING LEASE COMMITMENTS

As at 31 March 2025, the total commitments under non-cancellable operating leases on vehicles, equipment, land, and buildings, are as follows:

	2025	2024
	£000	£000
Expiring within 1 year	9,814	7,050
Expiring between 2 and 5 years	26,138	17,249
Expiring in over 5 years	6,324	5,401
	<u>42,276</u>	<u>29,700</u>

Lease payments of £11,690k (2024: £9,917k) were charged to the Consolidated Statement of Financial Activities during the year.

28. OPERATING LEASE- CONTRACTED INCOME

As at 31 March 2025, the total contracted income under non-cancellable operating leases are as follows:

Amounts due within one year	2025	2024
	£000	£000
Expiring within 1 year	471	496
Expiring between 2 and 5 years	835	394
Expiring in over 5 years	26	13
	<u>1,332</u>	<u>903</u>

Lease income of £5,105k (2024: £7,211k) was recognised in the Consolidated Statement of Financial Activities during the year.

29. RELATED PARTY TRANSACTIONS

The Salvation Army Social Work Trust (registration number 215174) is a linked charity of the Salvation Army Trust, both trusts together representing the work of The Salvation Army across the UK.

The Salvation Army Trust supports the work of other connected Salvation Army trusts through the payment of grants and these are set out in Note 8. Grants of £3.2 million were paid to The Salvation Army International Trust and overseas Salvation Army territories (2024: £2.4 million) and a grant of £26.3 million was paid to The Salvation Army Social Work Trust (2024: £29.7 million). There was no balance of grants payable/receivable between the Trusts at the year-end (2024: £nil).

The Salvation Army Trust gave a loan of £565K to Salvation Army Homes a connected party with the Salvation Army Social Work Trust group.

An overhead recharge of £11.8m (2024: £10.8m) was charged to The Salvation Army Social Work Trust during the year, representing that Trust's share of central overhead costs, specific to The Salvation Army Social Work Trust which were incurred by The Salvation Army Trust. The full amount of the overhead recharge of, £11.8m (2024: £10.8m) was outstanding at year end. In addition, recharges of £76k (2024: £105k) were charged to The Salvation Army Social Work Trust for hire of rooms at corps premises.

The Salvation Army General Insurance Corporation Ltd (SAGIC) (registered no 101071) provided insurance to the value of £2.9m (2024: £3.6m). SAGIC also provided £1.2m to the Social Work Trust, a connected party (2024: £1.1m).

The Salvation Army Trading Company Ltd (registered no 02605817) exists as the trading arm of the Salvation Army Trust. It is 100% owned subsidiary. Its primary purpose is to undertake retail sales of second-hand goods i.e., the reuse and recycling of donated clothing and other household items through 256 charity shops and donation centres

nationwide. It also supports the SP&S Division which accommodates two areas in turn - SP&S Services and SP&S Music. These work-streams focus on supplying The Salvation Army in the UK and internationally, as well as market-leading publications, recordings, and streaming services. During the year, The Salvation Army Trust received £nil in Gift Aid (2024: £1.3m), other receipts included £64k (2024: £390k) relating to donations and other income from SATCoL. The Salvation Army Trusts made £1.1m (2024: £1.4m) of purchases from SATCoL. These purchases comprised purchased literature (periodicals) of £819k (2024: £702k), uniforms of £121k (2024: £126k) and other purchases of £160k (2024: £572k) of which £57k (2024: £345k) was outstanding at year end. In addition, The Salvation Army Trust received £10.2m (2024: £7.8m) of retail gift aid from SATCoL and was recharged £7.6m (2024: £nil) by SATCoL in the year. Included in amounts owed by group undertakings in Note 18 is £6.8m (2024: £8.3m) due from SATCoL at year end.

The Salvation Army International Trust (registration number 1000566) exists to further the work of The Salvation Army and of its International Headquarters (IHQ). The operation of IHQ is therefore an integral part of the work of the Trust. IHQ is responsible for coordinating the international work and overseeing strategy. The Salvation Army is, for administrative purposes, divided into autonomous territories (generally by region or country). Each territory is governed, through local registration(s), in accordance with the applicable local laws, and the Trust works with and through these separate legal entities. However, The Salvation Army remains under the oversight, direction, and control of the General of The Salvation Army, as set out in greater detail in The Salvation Army Act 1980. The work of The Salvation Army in the United Kingdom and the Republic of Ireland is directed by the United Kingdom and Ireland Territory, with resources provided through trusts administered by The Salvation Army Trustee Company. The two principal trusts of this territory are The Salvation Army Trust and The Salvation Army Social Work Trust.

The Salvation Army Trust uses the banking services of Reliance Bank Limited, which is a subsidiary of The Salvation Army International Trust. At the year-end, The Salvation Army Trust held balances of £41.0 million with Reliance Bank (2024: £95.0 million). Interest was earned on deposit balances on a normal commercial basis. Included in accrued income (Note 18) is an amount of £3,133k (2024: £2,578k) which is the deferred consideration due in connection with the sale of shares in Reliance Bank in 2018/19 and which is receivable after more than one year.

Trustee Expenses - £nil for both 2024 and 2025 (see note 10).

Details of the remuneration and expenses paid to the Key Management Personnel and their close families are included in note 11.

30. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2025 £000	2024 £000
Net movement in funds	12,088	47,410
(Gains) on investments	(5,659)	(28,975)
Depreciation: Properties	10,468	8,565
Property schemes in progress write-off	2,600	12,494
Depreciation: Motor vehicles and equipment	6,940	4,760
Amortisation of goodwill	178	148
Gain on disposal of properties	(22,631)	(18,338)
Investment income	(9,138)	(12,529)
Decrease in stocks	382	111
(Increase) in debtors	(13,643)	(22,711)
(Decrease)/increase in creditors	(39,364)	44,478
(Decrease) in provisions	(290)	(419)
	<u>(70,157)</u>	<u>(12,416)</u>
Net cash (outflow)/inflow from operating activities	<u>(58,069)</u>	<u>34,994</u>

31. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITY

As required by FRS 102, the SOFA set out below is the full analysis for the 2024 comparative.

	Endowment £000	Restricted £000	Unrestricted £000	2024 £000
INCOME AND ENDOWMENTS FROM				
Donations, legacies and grants				
Legacies	-	12,189	72,139	84,328
Donations – Public	-	10,807	62,614	73,421
Donations – Members	-	17,521	161	17,682
Grants	271	3,825	108	4,204
Trading activities	-	13,448	99,239	112,687
Investments	-	652	11,877	12,529
Other				
Gain on disposal of property	-	3,832	14,506	18,338
Other income	-	4,129	-	4,129
Total income	271	66,403	260,644	327,318
EXPENDITURE				
Raising funds				
Costs of raising donations, legacies, and grants	-	62	19,685	19,747
Costs of trading activities	-	7,511	103,467	110,978
	-	7,573	123,152	130,725
Charitable activities				
Church and evangelism programmes	-	24,348	40,068	64,416
Community programmes	-	35,287	29,055	64,342
International programmes	-	5,206	3,700	8,906
Training programmes	-	18	7,673	7,691
Youth and young people programmes	-	-	3,103	3,103
Grant to the Salvation Army Social Work Trust	-	-	29,652	29,652
	-	64,859	113,251	178,110
Financing costs	-	-	48	48
	-	-	48	48
Total expenditure	-	72,432	236,451	308,883
Gains on investments	1,779	471	26,725	28,975
Net Income/(expenditure)	2,050	(5,558)	50,918	47,410
Transfer between funds	-	20,090	(20,090)	-
NET MOVEMENT IN FUNDS	2,050	14,532	30,828	47,410
Fund balances brought forward	15,238	498,333	339,804	853,375
Fund balances carried forward at 31 March 2024	17,288	512,865	370,632	900,785

THE SALVATION ARMY

England & Wales - Charity number 214779

Accounts

**THE SALVATION ARMY
UNITED KINGDOM AND IRELAND TERRITORY**

**THE SALVATION ARMY TRUST
REPORT AND FINANCIAL STATEMENTS
FOR THE UNITED KINGDOM IN THE YEAR ENDED
31 MARCH 2024**

**CHARITY REGISTRATION NO: 214779
SCOTTISH CHARITY REGISTRATION NO: SC009359**

Principal Office
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INTRODUCTION FROM THE TERRITORIAL LEADERS

Commissioner Paul Main and Commissioner Jenine Main

We are delighted to introduce our very first Annual Report and Accounts as Territorial Leaders of The Salvation Army in the United Kingdom and Ireland. With more than 38 years of service as Salvation Army officers, we can attest to God's faithfulness in our own lives and in the life of our Movement. This year has been no exception. Since we took up our appointments on 1 January 2024, we have witnessed afresh God's life-transforming grace in communities right across the United Kingdom, Ireland, the Channel Islands, and the Isle of Man.

We are hopeful that as you read this Annual Report, you will be inspired, as we are, by the remarkable stories of transformation. Our incredible officers, employees, members, and volunteers have yet again stepped up and demonstrated their love for God and neighbour through their generous acts of service to all, without discrimination. We are grateful for every one of them.

There have, of course, been challenges along the way. As the cost of living has continued to rise, it has placed enormous strain on many of those living in the communities in which we serve. Our 588 local corps (churches) have experienced even greater numbers of people seeking assistance and our residential centres have been required to support people with increasingly complex needs. As you will read in the report, our personnel have met the challenge with a sense of compassion, boldness, and respect. While not everyone who serves with us is a Christian, it is true to say that together we embody the example Jesus set for us in putting the needs of others before our own.

We would like to thank the many people who have financially supported our work. Even amidst such challenging economic times, our donors have shown extraordinary generosity. Their contribution has enabled us to reach out in new and effective ways, touching the lives of the most marginalised and offering a helping hand to many people who have needed our support for the first time. We value every donation and have been determined to put everything received to beneficial use.

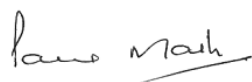
One of our favourite Bible verses is in the Old Testament book of Micah:

*'And what does the Lord require of you?
To act justly and to love mercy
and to walk humbly with your God.'*

(Micah 6:8 New International Version)

You will find the outworking of these words woven throughout this account of our work. We, therefore, commend this report to you. Be encouraged and inspired by the work The Salvation Army continues to do, wherever we are.

Thank you for your help and support, and may God bless you.



Commissioner Paul Main
Territorial Commander of The Salvation Army in the United Kingdom and Ireland

OBJECTS OF THE SALVATION ARMY TRUST

The Salvation Army's principal objectives are *the advancement of the Christian religion and pursuant thereto the advancement of education, the relief of poverty and other charitable objects beneficial to society or the community of humankind as a whole.*

The following groups benefit from the work of The Salvation Army Trust:

- people who worship or participate in other activities at Salvation Army corps (churches) and community centres;
- vulnerable and disadvantaged members of society, including people experiencing homelessness, older and/or lonely people, children, young people, families, and people dealing with issues such as substance abuse and other illnesses;
- the wider community of society as a whole.

The Salvation Army takes a holistic approach, engaging with people's physical, emotional, and spiritual needs, offering its services without discrimination.

OUR VISION, MISSION, AND VALUES

Our Vision, our Values and our five Mission Priorities inspire and guide all the work we do as a church and as a charity.

While The Salvation Army operates through two main charitable trust registrations (see below, page 8), we have one unifying Vision Statement, five Mission Priorities and six Values that guide us in all we do.

We have simplified and refreshed our Vision, Mission, and Values Statements to reaffirm our sense of purpose and direction for The Salvation Army in the United Kingdom, Ireland, the Channel Islands, and the Isle of Man. Since their creation and adoption and throughout the year under review, the new statements have been deployed extensively across the territory. The aim is that every expression of The Salvation Army, our corps (churches) and community centres and residential centres all seek to deliver the same five Mission Priorities to strive to deliver the one overall Vision Statement. Their simplicity and boldness mean that all areas of the diverse work of The Salvation Army can be both anchored and inspired by them.

Our Vision Statement:

Our Vision:
Fullness of life
for *all* with Jesus

This is 'Our Vision' for every part of The Salvation Army. It is inspired by the words of Jesus: *'I have come that they may have life and have it to the full'* (John 10:10 NIV).

No words can adequately capture the vision of boundless salvation that God intends for the world and everything in it. However, 'Fullness of life for all with Jesus' includes every aspect of Salvation Army life. We believe everyone can enjoy fullness of life with Jesus. It is aspirational – we are not there yet but this is what we strive towards.

Our Five Mission Priorities:

Our Mission:

To *share* the good news

To *serve* others without discrimination

To *nurture* disciples of Jesus

To *care* for creation

To *seek* justice and reconciliation

Our Mission is built on five priorities which are the drivers for all we do, how we do it and why we do it, across the entire organisation.

These short phrases communicate immense challenge, ambition, and direction. When these priorities are present, The Salvation Army is working towards our vision of ‘Fullness of life for all with Jesus.’

Each of the five priorities of our Mission is rich in meaning and helps us explain to 21st-century society why the Christian message and the work of The Salvation Army are relevant and desperately needed in our communities and nations.

They are not arranged hierarchically but overlap and mutually support each other.

- **SHARE THE GOOD NEWS:** At the heart of The Salvation Army’s mission is a passion to proclaim the good news of Jesus Christ far and wide. This is not an optional extra. The Salvation Army only does what it does because our inspiration and vision come from people’s ongoing relationship with Jesus. We know the difference our relationship with God makes in our lives and we do not want anyone to miss out.
- **SERVE OTHERS WITHOUT DISCRIMINATION:** The Salvation Army responds to people without discrimination. God calls us to be with the people we serve. In ‘being with’ people – as against ‘doing for’ people – together we find solutions and make progress because we are all made in the image of God. We are called to share love in a too often loveless world. ‘Love God, Love Others’ inspires every aspect of our work.
- **NURTURE DISCIPLES OF JESUS:** The future of The Salvation Army depends on nurturing current and future generations of Christian disciples who, filled with the Holy Spirit, share the good news of Jesus, resulting in more disciples. Like athletes, Christian disciples need to practise staying fit for God’s demanding mission. Habits such as prayer, Bible reading, corporate worship, music, tithing and helping others are vital. The Salvation Army believes being a disciple of Jesus and experiencing the blessing of holiness is the way to experience fullness of life.
- **CARE FOR CREATION:** The Salvation Army is committed to helping change attitudes, resulting in a more responsible use of our planet. We seek to provide practical care and advocacy for people affected by damage to the environment. People will not experience fullness of life unless God’s creation is protected and cared for.
- **SEEK JUSTICE AND RECONCILIATION:** People can experience a fuller life on Earth. God longs for justice for all people. Therefore, The Salvation Army has always spoken out against injustice. We fight not simply the effects of injustice but also the systems and

structures that enable injustice. Seeking reconciliation is also an essential part of The Salvation Army's vision of the good life. Peace and fullness of life are possible when justice and reconciliation are priorities in the lives of individuals, communities, and nations. The Salvation Army is committed to work in partnership for these ends.

Our Values

- Boldness
- Compassion
- Passion
- Respect
- Integrity
- Mutual accountability

Our Values are for everyone involved in The Salvation Army and should be reflected in our behaviour, result in good relationships and increased wellbeing and help us integrate what we do with how we do it.

The basic standard of Christian behaviour, derived from our understanding of the character and action of God, is love, so we need continually to be drawn back to understand how God is asking us to live and work together to help us be faithful to our calling to be God's people.

- **Boldness:** We will courageously and confidently share the good news, seek justice and reconciliation, nurture disciples of Jesus, serve others without discrimination, and care for creation.
- **Compassion:** We will serve with the unconditional love and grace of God as the pattern for our behaviour.
- **Passion:** We will bring our best selves, our God-given energies, and convictions, to our work, service, and learning, whether as officers, members, employees, or volunteers.
- **Respect:** We will receive each person with the dignity of those created in the image of God, while seeking the transformation God provides.
- **Integrity:** We will be honest and transparent in all our dealings with each other and those we serve, being open about our motives and agendas.
- **Mutual accountability:** We will willingly and freely give full account for our actions to those we interact with and expect the same in return.

Our Statement of Commitment:

We have one simple statement to explain why we are here, which frames all we are and all we do as a church and charity. Four words achieve this:

'Love God, Love Others'

This is based on Jesus' greatest commandment in Matthew 22:37-39 to 'Love the Lord your God' and to 'Love your neighbour as yourself'. 'Love God, Love Others' underpins, inspires, and motivates everything we do, in every part of The Salvation Army.

Since its adoption a few years ago, this statement has been widely used across The Salvation Army in communications, on corporate publications, on our websites and on email footers as a powerfully simple 'explainer' of what we are here to do and how we strive to deliver our vision.

EXPLAINING OUR STRATEGY, STRUCTURE AND OPERATION

The Salvation Army is a broad and diverse organisation. As a Christian denomination it puts its faith into action in many different ways across the UK and this section seeks to explain how our foundation as a church is the essential basis of how we work and what we do.

The UK Salvation Army is combined with the Republic of Ireland to form a 'territory,' comprising one of 135 territories across the world where The Salvation Army works. The Salvation Army in the Republic of Ireland is a separate company and therefore has its own report and accounts. This Report & Accounts is for the UK-registered Salvation Army Trust. (More below).

Our two principal charitable registrations:

The Salvation Army operates through two principal charitable trusts: The Salvation Army Trust and The Salvation Army Social Work Trust.

This Report & Accounts outlines the work of **The Salvation Army Trust (Charity Registration number 214779)**, which is the charity registration through which we manage our programmes of engagement and support which are delivered through our 588 local corps (churches). Much of the funding for the work of The Salvation Army Trust derives from public donations, legacies, trading activities and church members. The consolidated accounts also include SAGIC and SATCoL which are subsidiaries of the Salvation Army Trust.

However, the work of The Salvation Army Trust does not represent the entirety of The Salvation Army's work in the UK. Alongside the locally driven, locally responsive corps (church)-based operations which are reported here in this Report & Accounts, The Salvation Army operates centrally co-ordinated and centrally managed 'social services'. While this is still the 'work' of The Salvation Army, the finances of these operations are managed and reported on through a separate charity registration, **The Salvation Army Social Work Trust (Charity Registration number 215174)** which has its own Report & Accounts and form a 'sister' publication to this one.

The Salvation Army Social Work Trust accounts for residential programmes for homeless people, care homes for older people, residential detox centres, family centres, refuges for victims of domestic violence, safe houses and services for the victims and survivors of modern slavery and human trafficking, and our Employment Plus services. These services are managed in a top-down model due to the vulnerability of the people needing help and because of statutory regulations and contract requirements. Much of the funding for The Salvation Army Social Work Trust derives from Government and local authority contracts and additional supplementary funding comes from The Salvation Army Trust.

Summary of the purpose of The Salvation Army Trust

The Salvation Army Trust is the charity registration through which our corps (church)-based community programmes and our congregational life are managed and accounted for. Because each community is different, our community work and expression will be different in each location. This is illustrated later in this report.

Inspired by our Vision and Mission Priorities:

- We offer, and are energised by, Christian worship, teach Christian principles and encourage Christians to live out their faith in every aspect of life. We promote the Christian good news through various media, including literature, music, digital media, and personal evangelism.

- We provide community programmes through corps (local churches) and in communities that are relevant to local needs, to assist people of all ages to enhance their quality of life, self-respect, personal development, and relationships with others. We work alongside local communities to ensure that we are partnering with them and other agencies to meet local need. We do that through formal and informal activities.
- We seek to influence policy makers, providing information on social issues affecting people on the margins of society. We seek to amplify these voices and help society be fairer, more caring, and just.
- We train and equip current and future Salvation Army officers, staff, and volunteers.
- We financially support **The Salvation Army Social Work Trust** in the full range of services it provides.
- We support the international mission work of The Salvation Army, including development work and providing relief to those affected by disasters overseas.
- We review and adjust our strategies and programmes to respond to changing needs.
- We strive to achieve our vision of ‘fullness of life for all with Jesus’ in everything we do through five Mission Priorities: share the good news; serve others without discrimination; nurture disciples of Jesus; care for creation; seek justice and reconciliation. Operationally we are prioritising transformation, integration and streamlining to increase our effectiveness and impact.

The scale of the work of The Salvation Army Trust

The Salvation Army Trust works principally through 588 corps (churches) and community centres in the United Kingdom.

England: 480 corps (includes Isle of Man and Channel Islands)

Wales: 34 corps

Scotland: 58 corps

Northern Ireland: 16 corps

A list of centres managed through The Salvation Army Social Work Trust is in the Report & Accounts for that trust.

The work and delivery of The Salvation Army Trust

To ‘make sense’ of The Salvation Army, it is important to remember that The Salvation Army is first and foremost a church, but a church that delivers a diverse range of charitable services. Everything The Salvation Army does should positively contribute to making the world a better place – as God intends it to be.

As a church, we have a network across the UK of 588 local corps (churches) and community centres. These are generally run by corps officers, who are trained and commissioned (ordained) Salvation Army ministers of religion. Each corps officer is accountable to his or her community but is operationally accountable to one of a team of 14 divisional commanders (leaders) who in turn report to Territorial Headquarters based in London.

This strong community presence is the way in which we ensure we respond to local needs in local ways. What we do is decided on, agreed upon and delivered locally. The costs and delivery of this network of corps, and the infrastructure and the centralised operations that support it, are the subject of this Annual Report & Accounts for The Salvation Army Trust.

The Salvation Army is a church and charity that doesn't just help people by providing immediate, practical support to overcome issues such as addiction, homelessness, social isolation or poverty; it also strives to address the reasons behind the suffering, with a view to effecting sustainable change in individuals and society at large.

Therefore, what sets The Salvation Army apart from other organisations is the combined strength of our centrally co-ordinated social work services and the local responsiveness of our corps (churches) and community centres which are all playing their part to bring lasting change at a local and national level.

Every officer, soldier, member of staff and volunteer brings their own unique insight into the lives of the service users and communities they serve, to inform the work that we do and help us prioritise which reforms we will campaign for on behalf of the marginalised and vulnerable.

Explaining our distinctive organisational approach to strategy

Our vision statement is 'Fullness of life for all with Jesus.' This is a scripturally inspired goal which now forms the heart of our delivery. The Salvation Army is a diverse, responsive, agile Christian church and charity. Because we live and work in the communities we serve, we fully recognise that each community is different and consequently the needs of each community are different.

Our approach is to encourage effective and flexible activities focused on helping people experience life in all its fullness across all the communities in the UK where we have a local presence.

The UK Salvation Army deliberately does not have a prescriptive approach to directing its delivery at corps or centres or a directive top-down strategy. Instead, we prioritise local responses to local needs as the way we choose to work across the UK.

This report highlights how this approach enables us to respond powerfully, quickly and in an agile, flexible – and, above all, locally relevant – way to emerging needs and changes in society and the economy, for example, the cost-of-living crisis that we still felt in the year under review.

Integrated locally

Together, the two Annual Reports & Accounts provide a comprehensive account of the work of The Salvation Army in the United Kingdom. At a local level, The Salvation Army across both trusts is encouraged to work together to bring lasting change at local as well as national level – we call this 'integrated mission.'

Integrated internationally

In a wider context, the international network of The Salvation Army works in 135 territories, often in the forgotten corners of society. Our breadth of experience and strong relationships enable lessons learnt in one place to benefit people facing similar challenges thousands of miles away. The rapid expansion of our work with victims and survivors of modern slavery and human trafficking is a good example of this, with many local responses to a global challenge.

Resourcing, support, and oversight

The local diversity of The Salvation Army's operations is supported through centrally coordinated services – such as HR, Finance, Property, IT, PR, and Fundraising, with some of these support functions also located in our divisional (regional) headquarters. This approach enables us to be efficient and effective in the use of resources.

In addition, there are staff whose role is to learn lessons from local programmes and pilot schemes, to share resources and successful outcomes from innovation and experience with other Salvation Army operations to help us achieve our mission priorities across The Salvation Army as effectively as possible. This approach helps to drive up the quality of our services to people who are often poor, marginalised, and vulnerable.

Realigning resource to enable a 'flourishing' and effective Salvation Army

Finalising the delivery of the Structure Co-ordination and Design Project 2023/2024

The Salvation Army has never been a static organisation and over its 159 years of life and work it has been constantly evolving to match efficiency and effectiveness with changing times and changing needs.

Ensuring appropriate oversight and support and operational freedoms to more than 600 diverse and locally responsive Salvation Army churches and community centres is challenging. Add to that more than 100 residential and non-residential social work centres and the challenge of ensuring the most effective allocation of resources is a critical task.

The challenge of the Vision Statement and the five Mission Priorities was the impetus for looking at what organisational structures and ways of working needed to change to enable our 'local mission delivery units' (corps and centres) to truly flourish in their individual settings. By 'flourishing' we mean that every expression of The Salvation Army should actively be engaging with the five Mission Priorities (our Mission Statement) in order to achieve our vision.

This significant task, termed **The Structure Co-ordination and Design Project**, has been focused on three desired outcomes:

- **Transformation:** Increase the capacity of locally based Salvation Army work to contribute to the five Mission Priorities (share the good news; serve others without discrimination; nurture disciples of Jesus; care for creation; seek justice and reconciliation).
- **Integration:** Build strong and effective collaboration between all aspects of Salvation Army work in a geographical area.
- **Streamlining:** Design appropriate, effective, efficient, and sustainable structures and processes that enable local mission to flourish.

Starting in 2021 and over a two-year period coming to fruition in the year covered by this Annual Report, the Structure Co-ordination and Design Project conducted probably one of the most extensive pieces of internal research we have ever executed to answer the simple question:

'What (change) is needed to enable our local mission to flourish?'

The process was deliberately designed to be ‘bottom-up.’ Consultations were carried out within all the (at the time) 22 divisions and at all headquarters, both territorial and divisional.

The principal premise we worked to is this: a combination of effective **oversight** of the right things, combined with the allocation of adequate resources and **support** and the effective **release** of our local mission delivery expressions from unnecessary control should result in communities and people flourishing.

The strength of this simple model is that it is consistent with the way The Salvation Army has always worked. We respond locally and meaningfully to local need in local ways. Organisational structures and administrative and decision-making processes can become burdensome and inefficient over time. At its best, The Salvation Army is often more local organism than top-down organisation. Therefore, rooting and starting our thinking and planning for change in ‘local’ was the most sensible and potentially the most powerful way forward.

The outcome can be outlined as a series of significant changes to the way we work:

Release: We engaged and continue to engage in an extensive rethink of how resources need to be marshalled and how the local delivery points can be released to be as free as possible to decide on and deliver what they perceive is needed in terms of service and services. One outcome is, and will continue to be, a review of effectiveness, and how investment can be directed more freely to where increased investment will deliver significant change for people and communities.

Oversight: Effective oversight is vital for compliance and governance. Oversight ensures we are doing the right things in the right ways. However, the design process also looked at where supervision and some forms of oversight are unnecessary or could be released to be done locally, not centrally. We have a strong spirit of accountability in The Salvation Army and the releasing of some aspects of oversight will mean more local ownership.

Support: We need to continue to ensure that the support that is needed to enable local mission delivery to flourish is available, but in the right ways. This means adequate funding streams, support for raising awareness locally, support for training and innovation and local growth. We are developing more practitioner-based and peer-to-peer support. This is helping to reduce the cost of support and improve the quality by encouraging people to learn from fellow practitioners.

Streamlining was also one of the three goals of this process, and a significant branch of this project looked at our divisional structure and how best our 588 corps and community centres can be clustered and supported divisionally (regionally). Following extensive consultation, it was decided to systematically reduce the number of divisions from 22 to 14. This entailed a reshaping of the role of the divisional leadership team to ensure the effective application of the principle of support, oversight, and release. Critical to this thinking was also to ensure that divisional headquarters staff united with Territorial Headquarters to form one integrated system of support and oversight. During 2023 and 2024, The Salvation Army in the UK settled into working with its new divisional boundaries.

The Structure Coordination and Design Project concluded its work at the end of 2023, with the ongoing focus on transformation, streamlining and integration being taken forward by headquarters staff as an essential aspect of ‘business as usual’. The monitoring of actions is overseen within existing board structures.

ILLUSTRATING THE WORK AND ACHIEVEMENTS OF THE SALVATION ARMY TRUST 2023/2024

OUR FOCUS

‘Do not conform to the pattern of this world but be transformed by the renewing of your mind. Then you will be able to test and approve what God’s will is – his good, pleasing, and perfect will’ (Romans 12:2 NIV).

In July 2023, The Salvation Army celebrated 158 years of work with people in our communities, reaching out to the people most in need. It may not be a landmark year in the traditional sense, yet it marks another year of our unrelenting and generous spirit of giving.

The work of every corps is to seek to follow our Mission Priorities to achieve our Vision in the communities we serve. Because each community is different, how we serve them also differs. It would be an almost impossible task to list here all the different programmes we run. What this overall section does is to illustrate our life and work during 2023/2024 with examples of our diverse delivery and the challenges we have met in different settings.

We are a church but not in the traditional sense. Our Founders, William, and Catherine Booth abandoned the conventional Victorian ways of doing church. Rather, they took God’s good news of salvation directly to the people. They particularly focused on the social and spiritual transformation of society’s most vulnerable and marginalised people.

Today – as a church and a charity – we continue this work through 588 Salvation Army corps (church and community centres), – as well as a network of social service centres funded through the Salvation Army Social Work Trust, – around the country. We are energised by Christian worship, teach Christian principles and put our faith into action by reaching out to people in need.

This year we have continued passionately to live out life as a church as well as serve the community. It is from our foundation and living presence as a church that our belief is put into action in the communities where we are present. We have illustrated this with examples of how we keep adapting, adjusting, and changing to meet the needs of the communities we serve. Just like our Founders William and Catherine Booth, we know that this is God’s will for our lives.

Our sister report, the Report & Accounts for the Salvation Army Social Work Trust illustrates the work we deliver – often in our residential programmes – through our contracted services.

OUR PEOPLE

The Salvation Army across the UK has more than 4,000 thousand staff and active officers in both Salvation Army Trust and Salvation Army Social Work Trust and thousands more volunteers. Ensuring we recruit and retain the best we can is critical. Essential to this is the preparation we provide for people training to be Salvation Army officers (ordained church leaders) and the investment we make in all our people through training and skills development. This section looks at some highlights from the last year, including the appointment of new territorial leaders for the UK and Ireland and for the worldwide Salvation Army.

Under new leadership – at home and abroad

WELCOMING NEW TERRITORIAL LEADERS

In January 2024, the territory's leaders, soldiers, members, friends, and family came together for the installation and welcome of Territorial Leaders Commissioners Jenine and Paul Main.

Breaking with the expected traditional entry to a rousing march, the leaders solemnly entered the hall to the majestic tones of William Himes's composition 'Procession to Covenant.' The congregation was invited to stand and acclaim as the piece came to its climactic conclusion.

The Salvation Army's worldwide leader, General Lyndon Buckingham, commended Paul, and Jenine Main as people of God who have faithfully demonstrated their commitment over many years and in many settings. He highlighted the significance of the public acceptance of their new responsibilities.

Commissioners Paul and Jenine Main succeed Commissioners Anthony and Gillian Cotterill, who retired from active service in January 2024.

Watch the official welcome event online at salvationist.org.uk/TLwelcome

ELECTING A NEW GENERAL

The General is the worldwide leader of The Salvation Army and in May 2023 leaders of the worldwide Salvation Army gathered to form a High Council to elect the 22nd General of The Salvation Army. The High Council has 112 members from every corner of the globe, and they were welcomed with worship and prayer in a service at Central Hall, Westminster.

Commissioner Lyndon Buckingham was elected as the next General. He said: 'I'm being afforded a wonderful and privileged opportunity to speak into the lives of Salvationists around the world about our mission and our purpose in the world. And that's a huge privilege.' He looks forward to sharing his ministry with his wife, Commissioner Bronwyn Buckingham.

Lyndon Buckingham was first commissioned (ordained) in his home territory of New Zealand, Fiji, and Tonga. Other early appointments with his wife Bronwyn included Territorial Youth and Candidates Secretaries, Divisional Leaders, and Territorial Programme Secretaries.

We also said thank you and farewell to General Brian Peddle and Commissioner Rosalie Peddle as they departed for Canada to begin their retirement. Lyndon Buckingham gave thanks for their 46 shared years of 'faithful, dedicated, covenanted service'.

Future leaders in waiting

New cadets in training

We were delighted to welcome nine new cadets – who are training for full-time service as the next generation of Salvation Army officers. Each annual intake (termed a session) of cadets across the world is given a sessional name and the 2024 session was named the 'Champions of the Mission' which is intended to characterise their ministry.

In a service at William Booth College, Territorial Candidates Director Major Mark Sawyer – charged with getting the candidates for training to this point – officially commended them to Territorial Commander Commissioner Anthony Cotterill, who then handed them over to the college for their two-year period of training which will end in their commissioning (ordination) and their appointment. Most will lead a local corps (church).

Two of the cadets share their testimonies with us here:

‘From corps life to working with families in a Lifehouse, that’s been my journey so far. But through it all there has been a calling to officership. Like Moses, I heard God’s calling, but I made many excuses. However, just like with Moses, God kept breaking down my excuses. In 2020, I attended Design for Life and then did a gap year at Addlestone Corps.

Throughout this, God has provided the experiences and destroyed my excuses, showing me that I can and will be a Salvation Army officer. God means everything to me. He has transformed my life and helped me through tough times, and I want to dedicate my whole life to serving him.’

Adam Silcock, Lurgan.

‘I came to the Army nine years ago as a single mum and an alcoholic. I didn’t need or want God in my life, but something about my corps officer made me want to explore more. I became an adherent but that wasn’t enough, so I became a soldier. Even that wasn’t enough – I had a bigger calling. I didn’t know what that was, so I went to Design for Life.

I felt a veil being lifted and I saw the real me for the first time – the way God sees me. He showed me I was being called to officership, which was scary. I started the process, but things got in the way. That was five years ago – thank God I’m here today.’

Emma Scott, Forest of Dean.

Newly commissioned lieutenants

The ‘Reflectors of Holiness’ session were a group of cadets who arrived at William Booth College in September 2021 – along with their 14 children – to start their two-year training for officership culminating in their commissioning as lieutenants. They were a diverse group of people with remarkable stories of faith and a deep passion for serving God and his people with love and commitment.

At our annual event ‘Together 2023’, we celebrated the commissioning and sending out of these new lieutenants. They have all received life in all its fullness through their relationships with Jesus and accepted his invitation to follow him in this way. Two of the lieutenants share their thoughts with us here:

‘I know and realise that I’m loved unconditionally and that God equips those who are called; and that ministry is all about his power at work in us and not what we can do for him.’

Jackie Littlewood, appointed to Worksop.

‘This journey was possible due to being willing to say “yes,” not knowing where it would lead. Would I go back and say “yes” to them it all again? Yes!’

Stuart Turnbull, appointed to Worcester.

Renewal and empowering through learning and development

Every year, we are delighted to welcome new Salvationists into the heart of The Salvation Army. At the same time, it is important that we do not overlook dedicated staff and volunteers who have been carrying out God's excellent work for many years.

Here we share some of the ways in which we are equipping our people for the future so that they can continue to best serve our communities and support each other.

NEW FORMAT FOR EXPLORING LEADERSHIP DAY

This annual event gave Salvationists an opportunity to explore spiritual leadership, officership, vocation and ministry within The Salvation Army. It helped people to find out who and what God is calling them to be, and it can help attendees discern a vocation to ministry as officers in The Salvation Army.

Usually, the day revolves around worship and a whole host of seminars. Building on this year's event, we had innovative ideas – including a park run, prayer walk and quickfire testimonies to help people share their stories. We always aim to create a space for relaxed and creative exploration of leadership.

'We are all followers of Jesus, first and foremost, but I am grateful for this space that is dedicated to growing godly leaders in The Salvation Army.'

Lauren Westwood, Bromley Temple

'It's a great day of learning and worship, spending time with others from around the territory who are also exploring spiritual leadership and how each of us can grow and develop as spiritual leaders.'

Cadet Georgia Marriott-Lodge

WILLIAM BOOTH COLLEGE – NOT JUST FOR CADETS

William Booth College (WBC), in London's Denmark Hill, has been the site of The Salvation Army's leadership and training programmes since 1929. It is known for cadet training but is also a centre for learning and development for the entire territory, our employees and lay spiritual leaders.

This year, WBC went through a significant restructuring, resulting in eight new units and a newly formed leadership team. The focus was on reimagining how we can provide mandatory and development-focused training to employees and volunteers.

The then College Principal Lieut-Colonel Judith Payne explains: 'WBC exists to meet the learning and development needs of the territory, to be involved in mission and provide opportunities for growth that we might display the glory of Jesus.'

As a church and charity, with over 4,000 employees, officers, and thousands more volunteers, The Salvation Army has a real commitment to training, enabling, and facilitating people to be the best they can be in whatever area of work or ministry they serve.

Knowing ourselves – research into membership

During the year, the Membership Working Group researched into membership of The Salvation Army. They wanted to know what 'belonging' means to our own people and people who are not yet a member of our Movement. We encouraged people to be part of this Big Conversation around 'Believing in Belonging.'

Each of our 14 divisions (dioceses) facilitated group conversations with children, young people, and adults. We also created an online questionnaire – to take the conversation to as wide an audience as possible.

Themes emerging from the analysed information emphasised the following as particularly important to a sense of belonging at The Salvation Army:

- **Included** and being allowed to be **involved**.
- **Accepted** just as you are, without judgement.
- **Welcomed** and being **greeted** by name.
- **Valued** and seen for your unique self and gifts.
- Feeling in one's **spiritual home** through a sense of community, connection, calling, and relationship with Jesus/God.

Looking after each other – The Salvation Army's Counselling Service

As our Counselling Service turned 50 years old, we reflected on its significance. None of us is immune to the realities of life and it is important that we listen to our bodies and our minds.

All our counsellors are professionally trained to degree or postgraduate level, and all are members of a regulatory body. They are here for officers, cadets, senior managers, and staff who have experienced a critical incident – such as a death in a Lifehouse or Older People's Services, or the stresses and strains of church leadership and management. They also provide help to children of officers and, where capacity allows, other Salvationists and members of the public.

Major Richard Gaudion, Deputy to the Head of the Counselling Service, is an experienced counsellor and psychotherapist. 'When people are going through psychological or emotional distress, they're unable to live life to the full. Wellbeing embraces all aspects of an individual's life – spiritual, emotional, psychological, and physical – and is the fulfilment of Christ's offer of "abundant life," he says.

Learning to understand the trauma of others

Our 'Valuing People' framework is a new guide focusing on Jesus' greatest commandment to love God and love others as ourselves.

TRAUMA-INFORMED CARE

Being trauma-informed is our engagement tool for creating healthy, flourishing, and enabled environments and this year we continued our commitment to facilitating this important mindset.

This is particularly important given the people who come to us for support or help. It is compassion with a trauma-informed response that best meets people's needs and supports their recovery. If people can say, 'I am safe,' then they can love and can experience belonging. So, instead of judging behaviour, trauma-informed practice asks what's going on. We don't ask: 'What's wrong with you?' We ask: 'What's happened to you?'

During the year, we looked at improving our centres to be more welcoming and supportive of people who are experiencing trauma, for example:

- First impressions – we set the right tone, in our welcome areas or initial contact point.

- We made sure the space was clean, and that decor conveyed safety and belonging.
- Our language was inclusive and clear, avoiding jargon.
- We reviewed and adapted the environment, using what we've learned to improve it.

TALKING ABOUT SUICIDE

Thousands of people in the communities we serve take their own lives every year. 'Let's Talk About Suicide' is an ongoing, online course created by The Salvation Army's Training and Development team based at the William Booth College. It is designed to improve knowledge of the subject, and the resources and links people can access.

This year, the course used an interactive film and activities to teach people how to respond to someone experiencing suicidal thoughts – what to say and what not to say. It also explained statistics, risk factors of suicide and how to reach out for help and advice.

Some possible signs we looked out for were:

- changes in appearance, including a sudden sense of 'peace' or 'calm'
- reckless behaviour or withdrawal
- saying they cannot go on or that people would be better off without them.

'While the causes of suicidal thoughts are complex and nuanced, suicides are preventable. Education is the most powerful way to combat these fears.'

David Grundy, learning and development officer.

BELIEF IN ACTION – OUR CHURCHES AND COMMUNITY CENTRES

'See, I am doing a new thing!' (Isaiah 43:19 NIV).

Our 588 corps (churches) and community centres seek to meet the needs of the community and are often serving and supporting the most marginalised, excluded, and underprivileged people. How we do this depends on the circumstances of each corps and the community, so there is immense diversity in our work. Here we illustrate some examples that stood out in 2023/24.

Across the year, prices continued to spiral upwards, and poverty deepened for millions of people in the UK. Every day, our Salvation Army officers saw the shocking impact of poverty and despair in the communities they served. The compassion and practical support of our corps were never needed more. As people's lives grew more desperate, we evolved our services in response.

Nationwide efforts to offer food and warmth

DISCOUNTED FOOD CLUB IN NORFOLK

A Salvation Army food shop in Norfolk helped people struggling to afford food. It sold items at reduced prices, and some fruits and vegetables were free. Members paid a fee of just £5 every six months. The club was a gathering point and, in a way that is so characteristic of our community work, the shop was a place for building relationships and finding out about wider services that may help people too.

SOUP AND SANDWICHES IN SUNDERLAND

Every Thursday the Salvation Army corps ran a soup and sandwich lunch. As well as offering food and friendship, it was a place where diners learned about The Salvation Army's cookery

school initiative, the Victory Programme. It helped people to cook, to budget and build new life skills.

BREAD AND BUTTER ENTERPRISE IN WEST SUSSEX

On Fridays, our Southwick Corps ran an affordable food club called the Bread-and-Butter Thing. In just six months, members purchased the equivalent of 47,400 meals-worth of food. The club served 4,500 bags of food to people struggling with the cost-of-living crisis, too.

WARM WELCOME IN LURGAN

The corps encouraged people to drop in and sit and talk with volunteers over a 'cuppa.' The team provided a listening ear and offered help with fuel and utility costs and food. The corps was the busiest referrer to the community food bank and became the food bank itself on drop-in days.

EVERY CHILD WARM INITIATIVE IN GATESHEAD

Our nationwide *Every Child Warm* campaign continued to invite families, facing rising costs, to take home donated items, such as winter coats and shoes, for free. In Gateshead alone more than 200 children benefited, often picking their own items. One mum said, 'If you made a list of all the things needed for school, it would be more than £50. The things here are new and good quality.'

Debt advice across the UK

Being in debt is stressful and puts pressure on individuals, families, and relationships. We see the damage it can do, so we remain committed to supporting people and providing them with ways to manage their debt and become debt-free.

We continued to run debt advice programmes across the UK from our churches and community centres. We are authorised and regulated by the Financial Conduct Authority (FCA) and all our staff/volunteers are trained to regulatory requirements. In the year in review:

3,534 clients and families were supported;

£6,867,103 was the value of debts managed at year-end;

41.5% of people supported were on low income and had a long-term illness;

41% of people supported had a negative budget before paying for essential goods.

In the last year we have found suitable debt solution in quicker timelines, taking away the worry and fear that being in debt brings. We have introduced on-line portals, allowing people to take control of their financial situation and providing the often much needed budgeting skills.

MH came to us with a total debt of £22.5K. We helped him negotiate a payment plan agreeable to his creditors and affordable to MH. He was conscientious in meeting his plan which projected he would be debt-free by the end of 2023.

Sharing faith and friendship

Our churches are open to anyone. They are often a spiritual home for many people who do not attend worship on a Sunday. For others, who do not know about Jesus Christ, we reach out and share our Christian values in the places *they* are.

Here we focus on some of the ways we reached out and shared our faith with people in communities around the country.

Did you know? More than 31,000 people worship at 588 corps across the UK Territory each week.

NEW ACTIVITIES AND SERVICES IN MOTHERWELL

The corps celebrated its 125th anniversary in February 2024. The once thriving corps had slowed down when the Covid-19 pandemic struck.

Majors James and June Rorie stepped up to lead the corps and appointed Bobby Roberts as Community Mission Development Worker.

The corps has established a new programme of activities. Now there are regular family fun days aimed at single parent families, a weekly after-school club and a walking group which combines mission and wellbeing. Beauty students from a local college provided pamper sessions for unpaid carers at the hall – offering hairdressing, massages, and manicures.

Bobby says, ‘This corps has a great foundation. It’s focused on God foremost. There’s a real warmth and we are bringing God to the community.’ The vision is to grow the corps through the mission outreach, and the team have made an excellent start.

FRESH EYES AND PERSPECTIVES IN ABERYSTWYTH

Newly appointed to Aberystwyth Corps, Lieutenants Jo and Thomas Morgan, arrived fresh from William Booth College in July 2023. It was an opportunity to offer a new perspective on the work here.

The lieutenants built on the good links with the probation service, social services and homelessness charities in the town and worked with other local churches, too.

The corps charity shop plays a significant role in their mission. Local churches know that they can signpost people in need to the shop and the corps will step in to help them. Likewise, when people come into the charity shop, the corps can clothe them and signpost them to other churches or agencies for additional support, such as hot meals.

The lieutenants say, ‘We’re encouraging our fellowship to read Pete Greig’s *God on Mute* to get them thinking a little differently about why change happens and what we can do as a corps to develop our relationship with God.’

New experiences of church

GETTING MESSY...

We continued to run Messy Church at many corps around the UK. It is church for families who may not find other forms of church appealing and who do not yet belong to a church.

We ran 723 Messy Church activities per week across 97 settings. One example is Clowne Corps in Derbyshire, where families made crafts, shared food, and welcomed new families. Activities focused on the Bible seaside and following Jesus. Participants made and raced cork boats to illustrate Jonah’s story, created seaside collages, and made bead-decorated sandals.

...AND MUDDY

Muddy Church is a variation on Messy Church. At our annual event, *Together 2023* it was championed by Captain Wendy Watkins from Hadleigh Farm. She talked about how people can take part in outdoor activities, such as puddle-jumping, barefoot walks or modelling with mud. Whether people are in the countryside or an inner-city park, Captain Wendy inspired everyone to take part. It is all part of The Salvation Army’s ethos of caring for creation.

FELLOWSHIP THROUGH SPORT

We continued to raise the profile of sport as a mission that empowers people as they connect their passion for Jesus with their love of sport. It is a way of opening new doors and developing new relationships with all kinds of people in our communities – on sports fields and recreation grounds, in gyms and more.

This year, Salvationists who felt called to share their faith through sport gathered at *Sport Faith Life* – a two-day course held at the University of Nottingham in June.

The weekend demonstrated what the very best of sports mission looks like. Delegates came together to dive into God's word, meet other sport mission practitioners, share and explore ideas and reflect on their role in God's big plan.

Delegates played football, ran trim trails, played multisport and discovered new games like boccia and tchoukball. They also considered the need to reflect and widen their perspective and to build relationships, deepen friendships and encourage each other.

Before returning to their homes and sporting communities, delegates made 'game plans' based on what they had learned. Key take-aways included:

- There are unlimited ways to join in, engage with people of all ages
- You can use all kinds of spaces – from pitches to parks to driveways on estates
- There are challenges! But there are also many opportunities
- God is there with us, and he will equip us with the support we need.

RECIPE FOR GOOD

Around the UK, our *Victory Programme* helps people strengthen their cooking, budgeting, and growing skills. At the same time, it helps foster deep relationships in the community.

During the year, many Victory Programmes were active across the territory, including Scarborough, where Lindsey Barker co-ordinates the programme.

Over six weeks, students learned recipes and abilities that will stay with them for life. The course was open to anyone, but those who found it especially helpful included struggling parents, people on the edges of homelessness, elderly people at risk of loneliness, ex-offenders, and people on probation.

It proved an innovative way of taking a food bank to another level. As well as giving out food, people learned how to cook it, too. The one-pot nature of the meals meant that the only necessary appliance was a tabletop stove for each student.

After the six-week course, participants graduated. They received a certificate, a recipe book with everything they had cooked together and a gift from Lindsey and the team.

People made friendships they wanted to keep. And it was an informal way of introducing them to our church. Coming to Christmas carol service or other events, would not be as daunting, it broke down some of the barriers that stop people stepping through our doors.

'The cooking is almost secondary,' Lindsey explains. 'It's a non-threatening way of bringing people together and having conversations.'

See more from the *Victory Programme* at Scarborough at <https://youtu.be/YTvUYQIOBKc>.

Spotlight on inclusion

We aim to be an inclusive church where everyone feels welcome and can develop their relationship with God.

New steps to advocate for racial inclusion

For the past two years, the Racial Inclusion Working Group has been taking steps to ensure that we see full racial inclusion within The Salvation Army.

Members of the group were pleased to have a voice to speak about their experience. Non-white members spoke of how challenging it is to try to make a difference in a setting that is still mainly white.

It has been very encouraging to see some significant changes, noticeably in Salvation Army publications and media, in events and programmes around the territory and in the official recognition of African Praise Fellowship Zimbabwe.

Though there has been a noticeable move towards more inclusive thinking, we recognised that there is still much more to be done.

Racial inclusion needs to be embedded in the culture of all we are and all we do. It was decided that this important work should go in a new direction:

- the volunteer role of Inclusion Mission Advocate is being rolled out across the territory and is having a gradual take-up; it is hoped this will gain momentum;
- the Mission Service (i.e., directorate) at Territorial Headquarters has appointed 10 intercultural mission officers across the territory, under the direction of Major Jonny Smith.

As sad as we are to see the Racial Inclusion Working Group ending its work, we are encouraged that the new format will help us ensure ‘every nation, tribe, people and language’ are welcome (Revelation 7:9).

HERE FOR PEOPLE WITH DISABILITIES

The *Music Man Project* continued to offer a confidence-boosting music education service for people with learning disabilities and their carers.

It was not just about people coming together to play music. It was about creating opportunities for people to enjoy music and bringing them into contact with The Salvation Army and exploring faith and spirituality.

Music is a wonderful way to communicate and can speak to the very heart of who we are in a way that goes beyond words. We saw people who are non-verbal find a new way of expressing themselves. People who were socially isolated have gained confidence. People who, in the past, experienced all kinds of barriers have found opportunities to develop relationships through the power of music.

There are currently five active *Music Man Projects* within Salvation Army centres in the territory and the project is growing. It is a testament to the music ministry that this growth tends to happen organically.

People who encountered the *Music Man Project* were inspired by its message – and by The Salvation Army’s mission to be inclusive and welcoming as it works to bring fullness of life with Jesus to all.

CELEBRATING WHO WE ARE

One highlight of the year was the *Enabled* Summer School which took place at The National Star College in Cheltenham. It was an event for people who have a disability, where diversity, individuality and difference were celebrated.

Two of the many attendees were Elaine and her son Sam, who reported that the *Enabled* Summer School is where they both got the strongest sense of belonging. Activities were accessible, the delivery appropriate, engaging, and exciting – and Sam could just be himself.

Over the week, people met friends and enjoyed fun, laughter, and fellowship. There were choices and challenges, the chance to learn new skills and improve on others. The ‘can do’ attitude, positivity and encouragement from others made enabled a unique and exceptional week.

Enabled groups run all year around locally and there is also an online *Enabled* community. The first online event last year was *Enabled* Easter. In total the sessions were watched by 2,850 people live or over the course of the weekend. People continued to enjoy the sessions long after the event, with views increasing to 3,060 by the following week.

STRAWBERRY FIELD GRADUATES

Funded through The Salvation Army Social Work Trust, but with essential support from The Salvation Army Trust (this report), our Strawberry Field training centre in Liverpool celebrated the graduation of 23 people in October. The centre is the home of *Steps to Work* – a specialist Salvation Army employability training programme for people who may have learning difficulties or face other barriers to employment. The ceremony recognised the success of the graduates in entering paid work, training, or meaningful volunteering. John Lennon’s sister, Julia Baird, who is honorary president of our Strawberry Field Centre, was present. Julia Baird was also present in February to unveil a commemorative stone to mark the 40 years since Yoko Ono and Sean Ono Lennon visited The Salvation Army’s Strawberry Field home.

Reliable, experienced partner in a crisis

Every year, as a matter of course, our corps renew their commitment to work with emergency services during and in the aftermath of major emergencies and incidents. It means they can rely on us, and so can the people affected when disaster strikes.

Did you know? 26 emergency response vehicles respond to at least 300 calls-outs per year.

‘It’s a privilege to offer our support and emergency crews always appreciate our response. Many say to us that we are the vehicle they look for first when on scene.’

Julie Judson, Salvation Army chaplain.

TO THE RESCUE

Amid the heatwave of summer 2023, The Salvation Army was on hand to support the emergency services and rough sleepers as temperatures soared. We provided water, sun cream, suitable clothing, and emotional support to rough sleepers.

At **major fires**, we provided refreshments and pastoral support to emergency workers attending major incidents. This included four incidents in London, a blaze at an office building in Leicestershire, a wildfire in southern Wales and a large fire at a farm near Ipswich.

During **flash flooding**, corps officer Lieutenant Debbie Anne Hogarth opened the Hastings corps hall as a warm space for emergency workers and local residents affected. The corps also fed and clothed residents and worked with the council to rehouse 15 families affected by the floods.

When **storm Jocelyn** hit, corps officers from Stornaway came to the aid of stranded travellers on the Isle of Lewis. They opened the hall to about 30 adults and children affected by a road accident, providing hot drinks, food, puzzle books, *War Cry* magazines, a charging point, and toilets.

PROVIDING RESOURCES AND EQUIPMENT

In Suffolk, volunteers celebrated 45 years of supporting emergency services in the county with a **dedicated emergency vehicle**. The Salvation Army put forward plans to redevelop Stowmarket Fire Station, including a dedicated bay for the new emergency vehicle.

At Rochester Fire Station, Captain Gary Robb was presented with a **new Incident Response Unit (IRU)** by Alun Cornish, FedEx Express Operations Managing Director. The IRU will strengthen the Salvation Army's support of the emergency services across Kent and Sussex.

On Lindisfarne, the North-East emergency response team took part in a challenging **training operation** as part of its work supporting emergency services. The multi-agency exercise was led by Northumberland Fire and Rescue Service alongside Mountain Rescue, the Coastguard and Natural England. The training helped to prepare for scenarios such as wildfires.

REACHING OUT TO VULNERABLE PEOPLE

In communities across the UK, people are struggling like never before. Poverty and despair can put pressure on mental health, relationships, hopes and ambitions. As the dire situation continued into another year, our corps renewed their determination to support all the people who need us. Our faith is based on a passionate belief that action is needed as well as words.

Supporting children and young people

Children and young people face so much in the world today – a constant battle with social media, war, the climate crisis and more. We understand that looking at the world through young eyes can be incredibly saddening.

Through **our children and young people's services**, we offered a new abundance of relationships, possibilities and above all, hope. Last year, across the UK and Ireland, our projects engaged with over 7,000 children and young people.

NEW RESEARCH INTO CHILDCARE

New research carried out by The Salvation Army and PwC showed that schemes that offer free childcare can boost the economy and bring more people into work.

It focused on a 2017 scheme that extended state-funded childcare from 15 to 30 hours, for three- and four-year-olds in England. We found that the childcare added £22.3 billion to output and brought 286,000 people into work.

CELEBRATING EARLY YEARS

In addition to the many hundreds of weekly activities at corps aimed at young people, last year we also ran high-quality Ofsted-registered childcare programmes in seven corps around the UK, serving around 350 children.

Describing one of our settings, an Ofsted inspector reported, ‘Staff provide a warm, nurturing environment for children and show a genuine care for their well-being. Children are enthusiastic to come into nursery and show that they are happy and feel safe with staff. Staff work hard to support children in their personal, social, and emotional development and children’s behaviour is incredibly positive.’

In 2023, Smiley’s preschool, which is run by the corps in Leigh-on-Sea, celebrated its 50th birthday. Originally established by Margaret Parkhill as a corps playgroup in January 1973, it is now led by Lauren Clay. The group recently received a ‘Good’ rating from Ofsted.

Celebrations included a summer fair and a Sunday meeting led by Early Years Operations Manager Andrea Stevens and Territorial Community Engagement Lead Debbie Charles. A few former ‘aunties’ joined in the festivities. A time capsule was buried in the garden of the hall, containing details of the current preschool, including pictures, memories, and artwork.

LITTLE MIRACLES IN SOUTHPORT

The Little Miracles baby and toddler bank provided essentials to 120 families last year. It supplied bespoke emergency parcels based upon families’ individual needs. These included baby formula, nappies, toiletries, clothes, and baby food. The service grew at an alarming rate, with a steady increase of clients since opening in 2020. It was supported by local Christian charity Compassion Acts.

Community Programme and Engagement Manager Kathryn Casserley said, ‘We have seen so many families affected by the rise in the cost of living, families that are desperate and don’t know where else to turn or what else to do.’

SUMMER CAMPS – FUN AND INSPIRATION

Every year, The Salvation Army runs summer camps across the UK. In Devon and Somerset alone, we ran camps for around 60 children and young people from a range of backgrounds. The camps help give children a holiday their parents may otherwise have not been able to afford.

NORTH-WEST AND ISLE OF MAN CAMP

The camp took the theme Undignified based on John 4:23: ‘But the time is coming – indeed it’s here now – when true worshippers will worship the Father in spirit and in truth’ (*New Living Translation*).

More than 100 students and staff spent the week considering what it looks like to live an Undignified life of faith. Daily Bible studies were spent digging deeper into living ‘flipped’ lives for God in the here and now.

The students had an inspiring visit from Channique Sterling-Brown, who plays Dee Dee in Coronation Street, who shared her story of faith and how she lives a ‘flipped’ life daily in her acting career.

There was also singing, sport, science and faith, dance, drama, media, and art. Themed activities featured a Saturday Night Takeaway Quiz, a wellbeing night and the penultimate evening was spent enjoying worship together on the beach.

SOUTH-WEST CAMP

The division (diocese) held its junior camp with 34 children and 8 adults gathered under the theme of Superheroes. They focused on Bible heroes Abraham, Esther, Elijah, Moses, and Jesus and explored what made them superheroes of faith and what we could learn from their stories.

Exploring themes such as thinking fast, facing fears, and trusting in God allowed the children to discover more about themselves and how God wants nothing but the best for them, while showing them how they can be superheroes wherever they are.

Other activities included a film evening, karaoke, disco, inflatables, a treasure hunt, a Nerf war, crafts, and team games as well as time for reflection and worship. Everyone felt blessed to have fun and to see God working in their lives.

EAST OF ENGLAND CAMP

The week-long summer camp theme was Storyline and focused on the importance of trusting God. Young people learned that God has a plan and purpose for everyone – their own story.

Options for the week included media and discussion, giving young people a space to share topics that others could relate to. Young people told us that this made them feel understood and part of something bigger.

In media, activities included editing, lighting, and filming. One young attendee, Connie Attwood, created a nightly live podcast, interviewing different staff members and students. The Youth Summer Camp made everyone feel welcome and accepted and young people reported that they learned a lot from being part of this supportive community.

Wellbeing support for all ages and stages

We have seen the impact of the pandemic and other pressures first hand, and we have been especially concerned over how these have affected young people in our communities. Here are a few examples of how we have responded.

STARFISH MENTORING PROGRAMME

Did you know that today five children in a classroom of 30 are likely to have a mental health problem? *Starfish* is The Salvation Army’s response to the mental health crisis facing children and young people today. It is offered in schools to 9- to 16-year-olds, free of charge.

The Starfish programme expanded significantly in the year under review. During the year 30 more new Starfish mentors joined 55 existing mentors. The programme is now active in 17 primary schools and 10 secondary schools, with 21 Salvation Army corps involved from Plymouth to York.

School is a significant space, where lifelong friendships are made, where confidence and self-esteem are built or shattered and where life skills are refined. Starfish focused on boosting emotional health and wellbeing, including personal development and life skills.

The programme particularly benefited young people whose learning and motivation have suffered because of behavioural, social, or emotional issues, those at risk of exclusion and others struggling with the effects of the Covid-19 pandemic.

One teacher said, ‘After seeing the confidence these children have gained through the mentoring programme, I would confidently recommend this programme to any school.’

What did mentees say about *Starfish*?

92% it helped **boost their confidence**

96% it helped them **get on better at school**

Watch an inspirational video about *Starfish* youtube.com/watch?v=eY6OWrV4ieo

BOUNCE WELLBEING RESOURCE

During the year, we created a new resource called *Bounce* to support young people’s wellbeing. It was designed to help children express themselves and start thinking on a spiritual level.

It involved bouncing a ball around the group of children. A letter on the ball related to a question card with sentence-openers such as ‘my favourite food is...’ and the child finished the sentence. Children who were reluctant to talk shared how they felt.

The game featured a special Salvation Army ‘U’ card for ‘Understand.’ The openers were things like: ‘If God is there, I wish he would...,’ helping children to discover their spiritual self.

Feedback from teachers was positive, including one who told us that they found children, who were not necessarily comfortable talking, had grown in confidence.

A NEW MINDSET

We introduced *Mindset* – a free online training course designed to equip leaders to help young people feel more resilient and able to cope with what life throws at them.

The training covered five topics: emotional regulation, adverse childhood experiences, attachment, trauma, and care giving and healthy care seeking. Toolkits offered practical ways to put this knowledge into action, with conversation starters and activities backed by evidence and research.

Over the last year, the demand for *Mindset* training has been high. To date, a total of 152 people have completed the training, with further sessions already in place for 2024 and 2025.

CHANGING LIVES - ELVIRE’S STORY

Elvire is 24 years old and has been part of The Salvation Army since the age of 12. Growing up in Barking, she found there was not much for young people to do. So, she and her sister Charlelie were thankful that The Salvation Army offered opportunities like a youth club.

To get more people coming through the doors, Charlelie and Elvire (then aged 14) started dance classes, called *Konverse Dance Crews*.

Konverse allows young people to converse and express themselves through dance. It promotes leadership skills by encouraging them to teach classes, produce annual showcases and take part in community events and competitions.

During the year, classes included *Konverse Kidz* (ages 5-9), *Konverse Juniors* (ages 10-13) *Konverse Elite* (ages 14-18) and *Adults*. They trained once a week at the Corps – doing their own choreography and mainly hip-hop and Afro.

Elvire said: ‘It’s a platform for people who are from under-represented groups to showcase their talent.’ They try to keep the costs low because a lot of families are struggling with the cost of living. It is more than just a place to go, Elvire believes that she can help young people to get into paid jobs within TV and film. ‘It is only through God that I have the strength to do this,’ Elvire explained.

Showing compassion for older people

Later life should be a rich and fulfilling time. It should not be a time when people give up their active lives. It should offer new activities, new experiences and, very importantly, new friendships.

Yet older age can be a time when people are at increased risk of isolation and loneliness. Older age is often portrayed negatively, and deprivation and ill health often go together.

In addition to our residential care homes, which are highlighted in our sister Report & Accounts for the Social Work Trust, we have a strong programme of corps-based support for older people, which offers compassion and companionship. We have around 300 clubs and programmes for older people. Every year more than 180,000 older people attend some form of weekly club or programme, which is around 3,500 per week.

OLDER PEOPLE’S MINISTRY

Corps continued to offer fellowship, a listening ear, and a sense of belonging. Activities included CAMEO (Come and Meet Each Other) clubs, gardening and lunch clubs, intergenerational projects, day trips and wellbeing programmes.

For example, Penge Corps created a knit-and-natter club in May last year and membership quickly grew. People joined to learn a new skill or simply to enjoy knitting or crocheting together. It was an opportunity for fellowship, prayer and to share problems or joyful news.

NO AGE LIMIT

No Age Limit is the name of the Salvationist Radio show hosted by Andy Wileman, Assistant Director for Older People's Services, and Ali Thornton-Dean, Outreach Mission Partner. It is an hour of music, chat, testimony and devotions with the co-hosts and their guests.

During the year, they launched *A Closer Look at Ageing*, which looked at various aspects of ageing and what the Bible has to say. It covered topics including death and dying, dementia, retirement, social care, and befriending.

Ali explained: ‘Though there’s no real mention of retirement in Scripture, there was a change of duty for older priests in the Temple. They were still needed – you don’t get to a certain age and then God’s done with you. Anna and Simeon at the Temple waited and waited and they were the first ones to recognise the Messiah.’

Andy and Ali are on Salvationist Radio on the fourth Sunday of each month. Their devotions are also in Salvationist Radio’s new Silver Linings podcast.

NEW HEALTH SUITE

At Mirfield Corps, West Yorkshire, we teamed up with social enterprise Legacy Active Communities to create a fitness and wellbeing area for people aged 55 and over.

The gym was designed to improve health and tackle loneliness and isolation. It was equipped with state-of-the-art machines and instructors were on hand to provide guidance and training.

Local MP Kim Leadbeater, who chairs the All-Party Parliamentary Group for Sport, gave it the stamp of approval. Ali Thornton-Dean (Older People's Services) said: 'We are an ageing society and, as we age and live longer, we need to live well and live better, so that means exercise, eating healthily and looking after ourselves.'

SINGING BY HEART

The power of music, especially singing, to unlock memories is an increasingly key feature of dementia care. Around the UK, Singing By Heart sessions are established in 130 locations. They are designed to encourage communication, recollection of memories and be fun for those taking part. Recognising the importance of this, in the last year we have trained 54 new Singing By Heart Leaders.

This year, Liverpool Walton Corps launched a monthly group. Attendees sang classic songs and well-known hymns, encouraging a powerful form of music therapy. The sessions provided a safe place for participants to revisit long-lost memories and for carers to develop a support network of other people in similar situations.

'Singing By Heart is a brilliant way to promote living well with dementia and we hope that, in every session, we can bring a boost to someone's day,' says Daniel Elson (Music and Creative Arts), who leads the sessions in Liverpool.

As well as supporting older people through our community centres locally, we run 12 residential care homes. You can read about this work in our associated annual report, The Salvation Army Social Work Trust 2023/2024.

No home for domestic abuse

In the UK, 1 in 4 women and 1 in 6 men will be victims and survivors of domestic abuse. It is defined as 'any incident or pattern of incidents of controlling, coercive or threatening behaviour, violence, or abuse between those aged 16 or over who are or have been intimate partners or family members.'

We know that domestic abuse is not part of God's plan for us. It is an abuse of power and throughout Scripture, God is always on the side of the powerless. Here are some of the ways we tackled domestic abuse during the year.

NEW RESEARCH INTO DOMESTIC ABUSE

Research tells us that the prevalence of domestic abuse is of a similar level inside the Church as it is outside it. In March 2024, we asked Salvationists to complete a survey about domestic abuse. The answers will give us an evidence base, so that we can respond to it in an effective, safe, and Christ-centred way.

The survey took 10 to 20 minutes to complete, and answers were given anonymously. The research was led by Amy Quinn-Graham from our Research and Development Department, in partnership with the University of Leeds.

SUPPORTING SURVIVORS OF ABUSE

The Salvation Army joined with Restored UK to work with survivors of domestic abuse. Restored UK has been working with survivors for 13 years. Last year we joined their newly-launched Restored Beacon network, in which churches stand with them against domestic abuse in all its forms – physical, mental, emotional, financial, spiritual.

Restored UK offered three-level training:

- Awareness – a theological look into why domestic abuse happens.
- Understanding – God’s intentions for relationships, and how domestic abuse should affect the way we preach, pray with somebody, or respond to something.
- Support – walking alongside somebody on their journey to wholeness.

At its core is the idea that people are no longer alone and that they have a community who will walk alongside them. In Northern Ireland, Lieutenant Amanda Sewell – who is herself a domestic abuse survivor – attended the training. She said: ‘Restored UK’s brilliant Survivor’s Manual covers all the practical stuff a survivor needs to know as well as the theology.’

A NEW REFUGE IN LISKEARD, CORNWALL

In her work, corps leader Captain Teresa Conway began to encounter lots of women who had experienced domestic abuse. She made it her corps’s mission to become a ‘Restored Beacon’ – a place where people no longer feel alone and have a community to walk alongside them.

The corps started a weekly group with about 10 women, talking about healthy relationships and the importance of self-care – with some pampering. They hold a regular Pasty and Picture Night, watching films like *The Chosen* and sharing some teaching around them. Conversations around faith began, and people started to know Jesus for themselves.

Changes at the hall itself made it a safe space with private areas where conversations can happen. The team is looking to reach out to others, reviving pub ministry. The charity shop on the local high street is also a place where connections are made.

Captain Teresa says, ‘We want to be that beacon of light in our community, empowering women to rebuild their lives and improve their self-confidence.’

Non-judgemental care for prisoners

Prison can be a volatile and difficult place to be. But we see a precious and unique opportunity to bring a message of hope to the hopeless and to show love to those deemed unlovable.

Salvation Army chaplains work as part of established chaplaincy teams and come alongside prisoners in Christ’s name in a ministry of practical, non-judgemental caring. Last year, The Salvation Army had 16 chaplains across 17 prisons in England and Wales.

CAMEO IN PRISON – A LIFE-CHANGING ROLE

The Salvation Army runs CAMEO (Come And Meet Each Other) groups in three prisons which are aimed at elderly prisoners. They are the fastest growing prison demographic, and particularly isolated and vulnerable. CAMEO is a place where people can feel welcome, valued, and included.

Around 80-100 prisoners attended across the three projects on weekdays. They enjoyed a busy weekly timetable of activities to cater for many interests – from creating art, playing

indoor bowls, engaging with education, learning new skills, or simply enjoying a cuppa and a chat.

One participant said: 'CAMEO gives me the chance to take part in activities to distract myself from all the things that go through my head. Without CAMEO I would be stuck in my cell with negative thoughts.'

Last year we welcomed a group of visitors from the Norwegian Salvation Army to one of our CAMEO Centres. The group was so inspired by our work, that they went on to establish a CAMEO Centre in Bergen Prison, Norway, and one of our CAMEO managers was invited to its opening ceremony.

A BEACON OF HOPE

Since its inception in December 1879, the *War Cry* magazine has found a faithful readership in prisons. Maybe it is because people are feeling isolated because they spend a lot of time in their cell or are struggling with their mental health.

This year, *War Cry* continued to open a door to the world outside – current affairs, real-life stories, pop culture and documentaries, as well as sport. Chaplains are not permitted to evangelise, and *War Cry* remained a gentle way of introducing the idea of faith, especially to a prisoner who may not have a prior understanding of or interest in Christianity.

People in prison may have made bad decisions in life and many are looking to make amends and seek a new direction. They ask our chaplains about services available to them after leaving prison, or how they could get in touch with a corps. Others respond to articles they read or ask if they can be sent a Bible or learning materials.

'The purpose of *War Cry* is to get the Christian message across in a way that is understandable to people with little or no church background. It does this in a non-confrontational and non-judgemental way,' *War Cry* Editor Major Andrew Stone explained.

Here for survivors of modern slavery and refugees

A VOICE FOR VICTIMS

The Salvation Army expressed concerns about the Illegal Migration Bill, urging the House of Lords to protect victims of modern slavery.

When the bill passed into law, in July 2023, we expressed our extreme disappointment. We shared the Government's view that the use of small boats was inhumane but Major Kathy Betteridge, Director of Anti-Trafficking and Modern Slavery said: 'We are punishing people who have been tricked, trapped and traded into modern slavery.'

In late 2023, we welcomed the appointment of Eleanor Lyons as the new Independent Anti-Slavery Commissioner (IASC). We feel it is important for all stakeholders to come together to improve the modern slavery support structures within the UK. We stated our aim to work hard with the new commissioner to bring about positive change, particularly in the light of recent legislative changes.

VOLUNTEERS STEPPED UP TO SUPPORT VICTIMS

In October 2023 we reported that, in the previous year, 3,533 people were rescued and supported in safe houses and outreach services run by The Salvation Army with its partners. During the year, our Anti-Trafficking & Modern Slavery Team visited major cities around the UK to raise awareness of Modern Slavery & Human Trafficking. We also championed our amazing volunteers. Three volunteers told us about their role:

Rich Johnson, Transport Volunteer, said: 'We help victims by transferring them to safe places in the UK. It's a very rewarding role as you are massively helping someone who is at a very low point in their life.'

Our transport team organised 977 journeys to move survivors to safety this year.

Andrea Latheron-Cassule, First Responder said: 'We're passed information – from a name to a 30-page solicitor statement – which I go through thoroughly. I find this helps people open up and creates a relaxed and thorough interview.'

Responders like Andrea referred 267 survivors into support this year.

Gwyn Rose-Hocknull, Volunteer Mentor said: 'The person in front of you is a survivor and may have complex needs. I support people by acting as a positive influence and enabling them to be the best that they can be.'

This year 160 new volunteers like Gwyn have joined our team to support survivors.

WARM WELCOME FOR REFUGEES

Corps around the country continued to help refugees to resettle in the UK. Since the beginning of 2022, Blackpool, Fylde, and Wyre teams have helped source properties and furnish them in preparation for Afghan families to move out of hotels and into their own private accommodation.

Caseworkers from the team have been working with the families to integrate them fully into British life and culture, including employment workshops, applying for citizenship, and driving theory sessions, as well as providing fun community activities such as arts, crafts, and a sewing circle.

In **Bromley Temple** around 30 members of the local Ukrainian community met up twice a month to enjoy fellowship and to learn English. Salvationists Serhii and Mariia, who came to the town in July 2023 after being sponsored by the corps, hosted this growing community.

In **New Malden**, around one third of the town's population are Korean. Corps officers Majors Jae Soo Cha and Jung Hwang, who came to the UK from Korea in 2019, welcomed local Korean families who had settled in the area too. 'We realised that many of them felt lonely and were needing something,' said the majors.

As well as working in communities, The Salvation Army has a specialist Anti-Trafficking and Modern Slavery Department (ATMSD) which works at a national level. Learn more in our associated annual report, The Salvation Army Social Work Trust 2023/2024.

Understanding addiction

Our addictions programmes align absolutely with the stated aims of our Movement – to help people, who face significant distress and hardship to find self-worth and love.

CORE RECOVERY

Core Recovery is a model of church that has grown out of our work supporting people with addictions and their associated issues. It is an effortless way of doing church that strips things right back to the basics, journeying together with people and Jesus towards personal transformation.

This approach became operational in more than 20 Salvation Army communities across the UK. Bath launched a Core Recovery meeting from its community work and quickly grew to more than 20 participants.

Meetings were interactive, so people could speak and ask questions throughout. Feedback from participants mentioned the importance of feeling accepted.

PRACTICAL SUPPORT AND SOLUTIONS

While complete freedom from harmful addictions is desirable, it is not always possible. One element of The Salvation Army's approach to helping people is to focus on harm reduction.

As an example of this, last year, there were nearly 5,000 drug-related deaths in England and Wales. In January 2024, we reported that The Salvation Army had called for all police officers to be equipped with Naloxone. This temporarily reverses an opioid overdose to allow time for emergency services to arrive. The Salvation Army also called for NHS emergency departments, mental health trusts and ambulance services to issue take-home Naloxone kits for those at risk of opioid overdose.

CAMPAIGNING TO END STIGMA OF ADDICTION

A Salvation Army-backed campaign aimed at reducing the stigma around deaths due to alcohol and drugs was supported by MSPs in the Scottish Parliament.

See Beyond - See the Lives - Scotland was launched by the University of Stirling, Scottish Families Affected by Alcohol and Drugs, Scottish Health Action on Alcohol Problems and The Salvation Army. We hoped that using stories and images of people who have been affected will shatter myths surrounding drug and alcohol abuse - and encourage people to show compassion for those experiencing problems with substance use and those left behind when a loved one dies.

Director of Addictions Lee Ball said: 'The Salvation Army supports thousands of people through our addiction and harm reduction work, and we understand that people often use drugs and alcohol as a coping strategy to escape unbearable pain and trauma. To save lives, you must also address the root cause of the substance use, and that means investing in addiction and mental health support services.'

SEEING THE BIGGER PICTURE

Helping others is a way of sharing God's love. It is also an opportunity to join with others in our own communities to care for the global community and our precious planet.

International projects

Over the past year, Salvationists and supporters in the UK have engaged with international projects through various campaigns and events such as the Helping-Hand Appeal, Shalom, Riverbank and Together 2023.

HELPING HANDS REACH OUT

Our Helping-Hand Appeal is run in partnership with the Family Ministries Department. During the year, Salvation Army church members raised over £60,000 for international clean water projects. For example:

Carlisle – Members of the Ladies Fellowship and friends took part in a walk around the city to highlight the need for clean water. The message was particularly strengthened due to the constant downpour of rain! The walkers returned to the hall, where corps members had gathered for a coffee morning to raise funds for the appeal. More than £1,200 was raised.
Hadleigh Temple – Christine Horton, who has supported the appeal for 25 years, raised £500 by selling cards and books every week and holding occasional jewellery sales. She also runs the home league fellowship and has produced the home league newsletter for 23 years.

STAYING STRONG FOR UKRAINE

As the Ukraine-Russia conflict continued, we used our long-term presence to respond and support people in need across the continent and some UK corps contributed to this effort.

For example, the Eastern European Territory (EET), Bulgaria, Georgia, Moldova, Romania, and Ukraine, ran around 76 projects which were delivered by The Salvation Army and our local partners with support from the UK Salvation Army.

Emergency support:

- 100,000 food parcels provided
- 3 million meals served
- 93,000 hygiene kits distributed

Help with re-settlement here in the UK:

- Language classes
- School clothing and materials
- Household items
- Translation services
- Advice and guidance

Caring for creation

The Salvation Army is committed to helping change attitudes, resulting in a more responsible use of our planet. We believe that people will not experience fullness of life unless God's creation is protected and cared for. That is why Caring for Creation is one of our 5 Mission Priorities.

CLIMATE EMERGENCY DECLARED

On World Environment Day (5 June 2023) we aligned ourselves with a growing number of citizens, churches, councils, businesses, and organisations in encouraging a coordinated effort to respond to the climate emergency.

By formally declaring a climate emergency, we showed our commitment to our global neighbours who had already done so, and the 1+ billion people who are already impacted by climate change.

We recognised that urgent action is required to reduce carbon emissions and to address the impact of climate change. We inspired people to play their part and encourage others to respond to the climate emergency too.

Major Heather Poxon, Territorial Environmental Officer, had a key role in drafting and developing the declaration. She said: 'Before it's always been a problem for somewhere else or future generations. But we're a justice movement, and we cannot be responsible for this injustice anymore.'

SETTING AN EXAMPLE

The Salvation Army set bold targets to tackle its impact on the environment. By 2030, the Army plans to reduce the territory's greenhouse gas emissions by half and by 90 per cent by 2040.

At the core of the strategy is the decarbonisation of buildings, car fleet and supply chains. We announced that the initial focus would be on the territory's property portfolio. During the year, work was already underway, including:

- installing 19 solar PV systems (electricity from sunlight) with a further 10 being developed;
- installing 10 full LED lighting replacements as a trial run to larger-scale rollout;
- large, energy-consuming buildings (under our half-hourly electricity meter contract) from 100 per cent renewable electricity;
- developing a national Environmental Champions network.

Other ways in which we demonstrated our care for creation:

- reused and recycled clothing and other products through the community and trading company shops to avoid carbon emissions from manufacturing new goods;
- offered local expressions of The Salvation Army support in reviewing their waste management in a bid to reduce and divert the waste going to landfill and improving recycling efficiency.

ENVIRONMENTAL NETWORK OF CHAMPIONS

Over the past year alone, our network of champions – who are people passionate about caring for creation – grew by more than 400 per cent. There are 176 members today, with every UK and Ireland division represented.

This community of hope and enthusiasm is uniting and empowering people to spearhead local eco projects, which are blossoming.

Major Heather Poxon, Territorial Environmental Officer, said: ‘Each champion has their own passions and opportunities. I see the network as the environmental team on the ground.’

Major Matt Elsey, Corps Officer at Newark at the time, said: ‘I joined the network because tackling climate change is a significant issue we face and I believe that caring for God’s creation effectively is not something we can, or should, do in isolation.’

ECO CHURCHES

In their approach to sustainability, more Salvation Army corps have been switching to eco church models. Eco churches are marked on their approach to five areas:

Worship and teaching
Buildings
Land
Community and global engagement
Lifestyle

After completing a survey, churches are awarded Gold, Silver or Bronze awards depending on their eco-performance in each area. During the year, we set a goal of 30% of the territory being registered as eco-corps by the end of the year.

NO FAITH IN FOSSIL FUELS

In April, Salvationists joined 1,400 Christians from across denominations for a No Faith in Fossil Fuels service and march.

Speakers who addressed the congregation, included Patricia Pagulayan from the Philippines, who gave a moving account of the impact of climate change. Salvation Army Cadet Lizzy Kitchenside also spoke. She said: ‘We cannot claim to love God and love others and ignore this crisis. Climate change affects the very people that God tells us we are to serve.’

The congregation processed banners and placards to Parliament, led by a Salvation Army band. One bystander reflected; ‘This is your moment, Salvation Army. You are made for this. You’re organised, you’re mobile, you have the band, the songs, and the message for our times. Thank you for leading us.’

GROWING OPPORTUNITIES

Around the territory, Salvationists have been unearthing the potential for green spaces, re-evaluating how their food is produced and transported to reduce their carbon-footprint.

Corps Officer Lieutenant Lesley Holland (Deptford) explained: ‘Our toddler group love being outside in the garden, and have benefited from growing sunflower seeds, some for taking home and some which are now growing in the garden.’

At Watford Corps, teaching younger generations about caring for creation has become a pillar of its ministry. Every week from spring to autumn, the corps community allotment – a recognised RHS Five Star School Garden – is visited by up to 120 pupils, who enjoy growing food and flowers.

While the idea of community allotments can sound quaint, food sustainability is a grave issue. Major Heather Poxon pointed to soaring temperatures and wildfires in Europe which have already affected crop production. High temperatures and a lack of rainfall impact seedling growth too. ‘There will come a time when communities in the UK will have no option but to be resilient to food scarcity,’ Major Heather warned.

OUR COMMITMENT TO REDUCING, PREVENTING & ENDING HOMELESSNESS

This Report & Accounts for The Salvation Army Trust covers the funding allocated to support our churches and community centres. Our sister publication, the Report & Accounts for The Salvation Army Social Work Trust, records the finances of the residential programmes for people experiencing homelessness. However, we are illustrating both areas of work in this report as a substantial grant is made each year from The Salvation Army Trust to The Salvation Army Social Work Trust to supplement and to help fund the real costs of providing additional support to residents in our Lifehouses over and above local authority funding.

Growing concern and challenging government

In the year under review, homelessness numbers were causing us concern. At the start of the year, Government snapshot figures estimated a 26% increase in people sleeping rough – to over 3,000 people a night – and almost 40,000 households were registered as homeless, including people in emergency and temporary accommodation.

In April 2023, The Salvation Army called for the then Government to increase support funding in line with inflation and a reversal of the freeze on the value of Local Housing Allowance rates. ‘The Government’s plan to end rough sleeping by 2024 risks being derailed if it does not take action’ said Nick Redmore, The Salvation Army’s Director of Homelessness Services.

In December 2023, The Salvation Army called for a change in the law so all those forced onto the streets are offered temporary and then longer-term accommodation, an increase in funding to facilitate this and an in-line-with-inflation funding increase for local homelessness services. Captain John Clifton (Blackpool Salvation Army) commented: ‘Being homeless during the season of comfort and joy makes terrible and dangerous living conditions feel even worse. Thousands are facing an unhappy Christmas out on the streets without shelter, sanitation or privacy and are at risk of illness, injury, and early death because homelessness laws do not consider their situation to be desperate enough.’

With the numbers of people experiencing all forms of homelessness increasing again, The Salvation Army has remained as committed to supporting them as ever. There are many reasons why people can become homeless and there are not always quick solutions, but The Salvation Army has developed many different forms of support to meet immediate needs and in the longer term, to enable people wherever possible to get into some form of stable tenancy.

At a corps and community centre level, we do not offer formalised services but, where we can, we help people who come to us seeking help with refreshments, clothes and guidance or advice and signposting on how to access formalised support and residential accommodation. This form of response will differ from corps to corps.

Our 10- year homelessness services development strategy – ‘1,000 Voices’

BACKGROUND:

A significant outcome of the year in review was a 10-year development strategy for The Salvation Army’s Homelessness Services. The need for a fresh strategy was becoming clear for a while. The ‘1,000 Voices’ are the voices of the many service users and staff who access and work in our services and spoke into and are central to the 10-year approach. Our Homelessness Services operations acknowledge that the external factors determining the strategic approach to homelessness provision are ever changing.

Simply put, over the last 5-10 years, large hostel-type accommodation has been decommissioned in growing numbers with strategies from all five nations and their local authorities proposing alternative responses to homelessness and rough sleeping.

The pandemic demonstrated the potential to bring rough sleeping to an end, and the Government at the time made a commitment to do so within their term, but this was not met.

Therefore, a key focus within The Salvation Army’s strategy is to commit to the ending of rough sleeping and homelessness in general with a renewed focus on prevention. Within the wider Salvation Army, the Structure Coordination and Design Project (SCDG) (see page 11) has determined the future direction of travel for The Salvation Army in the territory to enable transformation, integration and streamlining and a more localised approach to decision-making and this is reflected in the development of the homelessness strategy.

THE EXTERNAL OPERATING ENVIRONMENT

The following trends within homelessness and local authority responses were highlighted, necessitating a fresh approach:

- Policy context is changing in all five nations and moving away from large hostel accommodation.
- The cost-of-living crisis is challenging – and making contracts less viable.
- Rough sleeping is increasing.
- Robust digital infrastructure is important for inclusion – and in tenders for contracts
- Supported housing legislative standards are changing across the nations.
- All five nations are proposing alternative responses to homelessness and rough sleeping.

THE PROPOSED DELIVERY MODELS:

The strategy is proposing a focus on moving away from large hostel-type accommodation to more agile, flexible local responses.

- There will be a focus on striving for integrated mission where homelessness services integrate more with local Salvation Army corps and community centres.
- Chaplaincy is regarded as being an essential component to every centre.
- All properties more than 50 residents to be fully fit for purpose and fully flexible in the next 10 years.
- All properties for between 30-50 residents to be fully fit for purpose within the next 10-15 years.
- Move towards smaller properties for fewer residents, self-contained hub models and increased self-catering provision.
- All new homelessness services provision will prioritise non-residential support.
- Aim to secure 100 additional units of accommodation for self-referring rough sleepers within the next three years.
- Service provision is provided through a 'harm reduction and trauma-informed lens' for a broad variety of client groups/areas:
 - Single/Couples (core mission)
 - Families
 - Young People
 - Recovery
 - Prevention
 - Resettlement/Move On
 - Domestic Violence/Women's Services
 - Complex Needs
 - Social Enterprise
 - Refugees
 - Veterans
 - Rough Sleeping
- Homelessness Services delivers its provision through the following main Operating Models:
 - Lifehouse
 - Floating Support/ Tenancy Sustainment/ Outreach Services
 - Housing First
 - Drop-Ins/ Day Centres
 - NAPpads
 - Addiction Services

This strategy was set out early in 2024 and will shape the ongoing delivery of homelessness services for the next decade. It fully reflects The Salvation Army's commitment to reacting positively, sensitively, and creatively to changing needs and forms of service delivery and the changing needs of the client groups we serve.

MISSION PARTNERS – HIGHLIGHTING OUR SUBSIDIARIES

Salvation Army Trading Company Limited (SATCoL) While SATCoL is a subsidiary company and publishes its own reports, it is a significant, expanding and very visible expression of The Salvation Army across the UK and is consolidated into the financial results of The Salvation Army Trust in this report.

SATCoL is the largest charity-owned textiles collector in the UK, working with partners to reuse and recycle donated items sustainably and ethically, and to raise vital funds to support the work of The Salvation Army.

SATCoL continued its mission to generate income for The Salvation Army through 230 charity shops, clothing collection donation centres and other recycling initiatives. In the year ended 31 March 2024 SATCoL donated more than £1.3 million to the UKI Territory.

DARE TO CARE

Management, staff members, volunteers and guests gathered for the SATCoL annual conference last summer. The focus was Dare to Care – for the Environment.

Managing Director Trevor Caffull outlined the strategic plan for 2022 to 2027, emphasising the triple bottom line: people, planet, and profit. He went on to detail the outstanding performance of the business in the past year:

- increasing the number of donation centres by 10.
- £9.8 million given to help fund The Salvation Army and its UK mission
- avoided 173,000 tonnes of emissions
- nominated for technology award at the Charity Retail Association
- nominated for Outstanding Charity Retailer of the Year award

WORLD-FIRST TECHNOLOGY

SATCoL unveiled plans for a world-first recycling system to reduce textile waste. Project Re: claim, a joint venture with leading corporate wear specialists Project Plan B, successfully recycled polyester textiles back into raw material.

It is based on plastic bottle recycling principles. The new plant will recycle around 2,500 tonnes in its first year, rising to 5,000 tonnes in year two. Polyester textile recycling is one of the biggest opportunities to reduce the harmful impact of producing garments.

The new technology, the first proven commercial-scale system, was featured on BBC One's *Songs of Praise*.

Find out more – see how SATCoL helps people in need and the planet through innovative reuse and recycling schemes at www.satcol.org

Committed to community

The Salvation Army General Insurance Corporation Limited (SAGIC)

SAGIC is a leading insurance company in the UK – originally set up to insure The Salvation Army's assets – continued its mission to provide insurance products to families and businesses across the country.

During the year, the company underwent a rebrand to better reflect the company's values and commitment to its customers and the wider community. CEO Gordon Dewar said; 'I am thrilled to be a part of this transformation, and I am confident that our customers and the businesses we interact with will be equally proud of what we accomplish together.'

LOOKING FORWARD AS A MOVEMENT:

As a church and a Movement, we live in the communities we serve. We understand the problems and the symptoms that affect everyday life. We understand the wider issues that impact our society, such as homelessness, addictions, slavery, and the importance of employment. We are committed to putting faith into action and doing something.

That is why we are such an agile, responsive, and constantly evolving and adapting organisation. This report has illustrated how we responded afresh in 2023/2024.

Looking ahead, we will continue to adapt and innovate to meet current and new needs. A critical feature as we move forward is to do whatever we can to enable our front line, or local mission delivery as we call it, to flourish. With effective resourcing, support and oversight, our continuing intention is to enable this 'flourishing' of the mission of The Salvation Army locally.

We will continue to provide essential funding for our corps and community centres to enable them to innovate, develop and continue to meet needs that are not being met.

We will continue to support The Salvation Army Social Work Trust to enable it to provide the best possible support for people in our residential centres and those who engage with or are referred to us for support and, in the case of modern slavery and human trafficking, protection and a fresh, safe new start.

We will continue to ensure local mission is supported from our territorial and divisional headquarters in the ways it needs to ensure effective, efficient, and compliant ministry, including financial controls, safeguarding, safe mission (health and safety), staff development and training and effective procurement.

We will continue to build on the work of the Structural Co-ordination and Design Project by maintaining a culture of continual improvement across the territory with a real commitment to address any organisational issues that are obstacles to enabling local mission to flourish.

We will continue to invest in funds that allow innovation and will continue to invest in our fundraising to ensure we have a stable and sustainable future to serve our communities.

With changes in society, we will look at how we can ensure that we are encouraging different forms of church leadership and membership so we can move with the times but maintain our distinctive ethos.

Above all, we commit to ensuring a meaningful presence across the UK, to making a difference in people's lives in practical and spiritual ways. Our commitment to 2024 and onwards is to continue to strive to deliver our vision: 'Fullness of life for all with Jesus'. That is our driving force and our goal, and that vision sets the strategic direction for each of our corps and community centres and directs the support that our territorial and divisional headquarters will provide.

GOING CONCERN

Salvation Army Trust has felt the financial impact of global economic factors, particularly the high inflation rates on our cost base plus the related cost-of-living crisis. At the time of writing the Bank of England projections that inflation will rise to to 3.7% and expected to fall back to the 2% target after that, but this remains a watching brief with the current instability arising through the trade tariffs being imposed by the USA. With the current interest rates, reducing at a much slower pace, unemployment is expected to increase as the economic growth forecast is expected to decrease. The organisation anticipates that the economic environment will continually be challenging especially against the backdrop of the current socio-economic and socio-political climate.

Financial projections and other supporting financial models that detail potential financial impacts of this economic environment upon The Salvation Army Trust, as well as furthering

the scenario planning to assess the potential short-, medium- and long-term financial implications of other risks and opportunities. However, this is currently undertaken on a lower-level scale.

Looking ahead, we plan to better utilise the financial reserves to support the organisation and where necessary invest in strategic priorities. This financial year 2023-24 saw us continuing to spend on our strategic aims. The closing unrestricted reserves were £371m (2023: £340m) and the cash and bank balances were £89m (2023: £69m). The directors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of approval of these financial statements and are not aware of any material uncertainties that may adversely affect the organisation. Accordingly, the financial statements will continue to be prepared on the going-concern basis.

MODERN SLAVERY AND ANTI HUMAN TRAFFICKING STATEMENT

As The Salvation Army in the United Kingdom and Ireland Territory we hold a zero-tolerance stance on acts of modern slavery and human trafficking and on any breach of our Ethical Policy and will not condone any such action by our contractors, suppliers, or consultants. We take this issue very seriously and are committed to preventing acts of modern slavery and human trafficking from occurring within our supply chain. Our Procurement Ethical Policy is integral to all supplier contracts and sets out the overall standards surrounding human rights, child labour, discrimination, corruption, bribery or other financial impropriety, legal compliance, and ethical conduct with which our suppliers must comply.

A Supplier Ethical Declaration is referenced in the standard purchase terms and conditions of The Salvation Army and compliance is a contractual requirement for all suppliers operating under these standard terms and conditions. In addition, all suppliers and contractors submitting tender responses must confirm their agreement and acceptance of the terms and conditions and sign the ethical declaration and apply these standards to their own supply chains.

Our Procurement Unit continually reviews its supply base, examining suppliers in those areas that represent the highest risk of modern slavery, particularly in spend areas relating to temporary labour, cleaning, catering, linen, branded goods and building services. Where possible, trade and industry best practice standards are used as the benchmark and The Salvation Army has adopted the use of Constructionline for tendering and selecting building suppliers.

Due to the importance of training and education in the fight against modern slavery, the Procurement Unit has partnered with Stronger Together to deliver training to members of its team on identifying potential victims of modern slavery. All members of the Procurement Team complete the Chartered Institute of Purchasing and Supply ethical procurement assessment annually.

The Procurement Team holds regular Helping The Salvation Army Buy Better training seminars for stakeholders where ethical supply chain issues are covered. The Procurement Team has also hosted a supplier conference with a specific focus on providing education on combating supply chain labour abuses. The commitment to ensuring ethical supply chain standards is also embedded in the recently adopted Salvation Army Fiscal Stewardship Principles and the Procurement Unit will be asked to report on compliance with these standards regularly.

OUR APPROACH TO FUNDRAISING

Context:

The Salvation Army Trust, which is the charity registration through which our church and community-based operations are run, relies very heavily on income generated by fundraising and the continued support of individuals through gifts in wills to keep our diverse services alive and operating across the UK.

We meet the constant challenge of raising these funds in diverse ways:

- Local Salvation Army corps (churches) and community centres are expected to actively fundraise within their church membership and in their wider community to support their community programmes.
- Salvation Army church members give generously as part of their personal commitment to God, to their corps and to the wider Salvation Army.
- In addition, there is a centrally co-ordinated fundraising operation which manages the disciplines of national fundraising programmes, provides additional resources and support to corps-based fundraising, and provides support to members of the public who want to raise funds for The Salvation Army. Principal activities of this are commented on below.
- We also actively but sensitively ask members and supporters to consider including The Salvation Army in their will.

During the financial year 2023/2024 we continued to strengthen our fundraising, ensuring long-term stability for our voluntary income as we look to the future.

Relationship between The Salvation Army Trust and The Salvation Army Social Work Trust

Fundraising for The Salvation Army's overall work across both its charitable trusts is carried out under the registration of The Salvation Army Trust and therefore fundraising activity, income and expenditure are accounted for in this Report.

The Salvation Army Social Work Trust funds our centrally managed residential services for homeless and older people, as well as other centrally coordinated programmes such as our modern slavery services, Employment Plus service and programmes for people with addictions and disabilities. Almost all Government funding is accounted for in The Salvation Army Social Work Trust, which has a separate charity registration and consequently a separate set of Report & Accounts which form a 'sister' publication to this. They are filed under charity registration number 215174 (England and Wales) and SC037691 (Scotland).

A proportion of fundraised income in The Salvation Army Trust is granted to The Salvation Army Social Work Trust each year as part of the planned budgeting process, in line with our objects. This grant helps to meet the cost of the additional support we offer to our service users, on top of Government and local authority funding. Our fundraising appeals to the public feature the work of The Salvation Army across both trusts, so there is absolute transparency that the funds donated go to support the work we illustrate in public appeals.

Raising Funds

Corps-based (church) giving and local fundraising:

The UK Salvation Army has 588 corps and community centres across the UK. Each corps or centre will develop programmes and services that are geared to meeting the needs of the people in the community, so there is huge diversity across the UK. Each local Salvation Army centre is expected to find ways to raise funds to support their local work – either for themselves, nearby centres, or specific Salvation Army programmes – as much as it can. This is achieved in several ways.

Church membership giving totalled £16.4 million in 2023/2024. It is a substantial offering and this income from church members helps to sustain the local life of The Salvation Army as a church and meet as much of the operating overhead as possible

In addition, local fundraising by our corps (churches) delivered approximately an additional £10.8 million from public donations given locally, which helps fund the practical support that is needed in the communities that The Salvation Army serves, examples of which are described in the narrative of this Report. Christmas carolling in town centres and street collecting are two of the familiar ways in which corps raise funds. Corps also frequently engage in digital forms of fundraising, using tools such as JustGiving.

Salvation Army church membership also actively engages in two main annual fundraising drives: the **Self-Denial Appeal** and the **Big Collection** (now known as the Big Connection).

The annual **Self-Denial Appeal** in February and March helps fund Salvation Army work in overseas territories. In 2024 the Appeal raised just over £1 million, an increase of £63k over 2022/2023, and is a testament to the generosity and determination of our officers and members. The name of the appeal explains the method of fundraising. Church members deny themselves something – confectionery for example – over four weeks and on the final Sunday, offer up their saved money. The appeal this year featured the work of Lieutenants Kayla and Jose in Uruguay, Captains Anthony and Makimi in India and Captain Nathanael in Greenland. It highlighted the common thread of compassion and practical help that runs throughout our missions worldwide.

The Salvation Army's **Big Collection** is an annual public campaign in September, whereby church membership actively raise funds to support our Social Work Trust, supporting programmes for people experiencing homelessness, older people, and people needing help with addictions. Against a total of £503k raised in September 2023, in 2024 we increased that total to £513k, thus demonstrating the continued commitment and passion of our community. Tony from Preston Corps was an example on someone helped by the Army. When at rock bottom, he was befriended by an Army chaplain and supported at Bramwell House Lifehouse, before being helped back into work by the Employment Plus service at the corps. Three years ago, he was enrolled as a soldier.

We continued to rely on fundraising to make our missions possible. Last year, more than £605k was raised by corps, individuals, businesses, and others to help us reach out and support the most vulnerable people.

National Fundraising

Our centrally co-ordinated fundraising programme sensitively deploys many disciplines of fundraising to generate income for the work of The Salvation Army. Because the proportion of our donated income that derives from direct debits and regular giving schemes is small, at around 10 per cent of cash donations, the donations and legacies that are received during the financial year are the ongoing lifeblood of our organisation.

The funds raised from national fundraising programmes go directly in the form of grants and mission support funding to enable corps to work within their communities where there are

insufficient funds locally. Funds raised also help meet the cost of refurbishing our buildings and emergency repairs to ensure they are compliant and fit for the delivery of community programmes. Funds raised will also form the annual grant across to The Salvation Army Social Work Trust to provide additional services for our work with people who are homeless, older people and people with addictions.

This year's accounts show an increased investment in fundraising and marketing, which is in line with the three-year plan (and a wider five-year view) to deliver increasing levels of net restricted and unrestricted income and to ensure that the various disciplines of fundraising all support each other and to make the whole greater than the sum of the parts.

Additional expenditure has been made in the following fundraising areas:

- Our investment in **Community and Membership fundraising** will strengthen corps-level fundraising, building corps' capacity to lead local fundraising efforts with better support and resources, thus reducing corps' reliance on mission support in the long-term.
- Our investment in **Legacy Fundraising** is vital to harness potential future income and we have therefore increased our promotion of the importance of gifts in wills. Recent increases in this area have already increased the number of people enquiring about or pledging a legacy and we hope many more people will consider leaving a legacy to The Salvation Army in their will in the future, ensuring our long-term financial stability through their generosity.
- Our **Individual Giving** programme has sector-leading response rates to appeals and high average gifts because of our engaged and loyal donor base. In addition, unlike many other charities in the UK, we choose not to use channels and products which do not align with our values, such as raffles or lotteries. As December is the traditional time for many supporters to give to The Salvation Army, we are investing in additional capacity to allow us to maximise activity around Christmas. We are also making investments to strengthen how we engage and steward our donors and improve the supporter journey, while driving efficiencies by using data insight more effectively.
- **Philanthropy** fundraising is growing rapidly across the UK fundraising sector and our investment is well-timed and will allow us to position ourselves to attract many more individuals, companies, trusts, and foundations to give to The Salvation Army. Our investment will generate capacity to create compelling proposals which communicate the amazing work which is taking place across the territory, while also ensuring we keep donors informed about the impact of their donations and offer them appropriate and meaningful stewardship, ensuring they choose to make repeat and increased donations in the future.

Individual efforts

Thousands of individuals put their time and energy into supporting us. Of course, we cannot mention everyone but here is a flavour of their determination and ingenuity.

University of Nottingham students - Ella-Mae, Emily, Cameron, and Kieran skydived from 14,000 feet to raise funds for their local corps and services.

Eighty-one-year-old Andy Peddle - completed the mammoth feat of walking 111 miles and then completing the Great North Run, raising £8,100 for the Army's work with survivors of modern slavery and for youth projects in the North-East.

Young people from Tiverton undertook a 7-mile sponsored walk along the Grand Western Canal, raising £922 towards 12 of them attending the divisional junior camp and summer school.

Appeals to the public

Despite the continuing difficult economic environment, we saw incredible generosity in 2023/2024 towards The Salvation Army. We received a total of £73.4 million in donations from the public, secured by national and centrally co-ordinated fundraising activities, about which we share a little more detail below. As noted above, in addition, approximately £17.6 million was raised locally by individual Salvation Army corps.

We are incredibly grateful that our supporters and the general public continued to give so generously. Total public and supporter donations in response to our national appeals programme came to £48.8 million. Although this was a slight drop from the previous year, we are still most sincerely thankful.

Our national Christmas Appeal remains a key moment in our fundraising activity, raising an incredible total of £22.2m and recruiting over 90,000 new supporters.

In a year where the cost-of-living crisis has continued to cause increased uncertainty and hardship for many, we are most mindful of sacrifices that individuals may have made in order to contribute to our work and we are especially thankful to all those who have donated towards our ongoing work to support people in desperate need.

Legacies

We remain extremely grateful to our supporters who remember us with a gift in their wills. This is a hugely important income stream which contributes a significant amount towards our work. We continue to invest in our Legacy Fundraising Unit to ensure we are in a strong position to make the most of the predicted growth in legacy giving over the next 25 years.

We received a total of £84.3m in legacies, an increase of £15m compared with legacies in 2022/2023.

Reaching and inspiring these supporters, as well as promoting our free will-writing services and explaining how people can leave The Salvation Army a gift in their wills, is an important part of our work. Further understanding has been gained about the reasons why people choose to leave a gift in their will, particularly about people who are not currently supporting us.

Following the launch of our new messaging, Your legacy, our promise campaign in 2023/2024, a wonderful estimated £24m in future legacy income is forecast. Inserts were placed in targeted magazines in February and a pilot digital marketing campaign ran from January to March, raising vital awareness of gifts in wills and their importance to our future, and gaining new legacy supporters. Our free will-writing services and Free Will Month campaign in October and March raised awareness of the value of leaving a gift in your will. We contacted many thousands of supporters during 2023/4 and are hugely grateful to everyone who has chosen to pledge to leave a gift in their will to support our work.

Grant-Making Trusts and Foundations

During 2023/2024, we received just over £2.7 million from charitable trusts and foundations in support of more than 200 local Salvation Army projects across the UK and internationally. We would like to express our sincere gratitude for their support. The grants have contributed to the running costs of frontline projects in England and Scotland. These include supporting lifeline community projects delivered by corps such as food banks, energy vouchers and

lunch clubs. For example, we received a grant of £12,500 from the Heathrow Community Trust in support of our Ealing baby bank.

An example of the work we deliver thanks to support from charitable trusts, *Starfish* is The Salvation Army's response to the mental health crisis facing children and young people today. This is a mentoring programme working with children and young people in schools, aged 9 to 16 years, which offers help focused on emotional health and wellbeing, including personal development and life skills. Working within a school's student wellbeing support structure, *Starfish* provides trained mentors who help young people to build confidence, resilience, and their self-esteem, encouraging them to realise their full potential.

Major Donors

We invested in our Major Donor team during the year, and they worked hard to engage generous supporters who can give donations of £5,000 or above to fund our work. We are grateful to the more than 228 people who gave in this way during 2023/2024 and for their combined donations of £1.4m.

Corporate Giving

In 2023/2024, the Corporate Partnership Unit received £15,000 from The Entertainer to kick off a Digital Arts Award programme, supporting disadvantaged children in Birmingham Aston. We also received a £75,000 donation from Kirstall Ltd and two donations totalling almost £37,000 from Ford Motor Company. Christmas 2023 saw a fantastic sixth year of partnership with The Entertainer for the Big Toy Appeal, which resulted in 12,000 toys being donated to vulnerable children. Finally, we are hugely grateful to both The Entertainer and Pickfords for their generous sponsorship of £10,000 each in support of our Christmas Carol Concert.

We wish to offer our sincere thanks for the fantastic support of all our corporate partners.

Our Fundraising Approach

The ethos of our approach is that fundraising activities must reflect our values and should be carried out in a manner that the public and our supporters and funders would expect of The Salvation Army – sensitive, courteous, sincere, and genuine.

We have an active fundraising presence in digital media and on our website and we regularly review our Privacy Notices and Privacy Statements to ensure we operate in compliance with GDPR.

We do not use professional fundraising agencies such as outbound telemarketing agencies or face-to-face/street fundraising agencies to fundraise on our behalf. Our public, street and house-to-house cash collection fundraising operations are normally carried out by members and volunteers drawn from and connected with our congregations.

We use an external agency to handle some in-bound telephone donations in peak periods and to call back supporters who have contacted us to donate when we cannot handle such calls in-house by our own staff. This is particularly important at Christmas when call volumes are particularly high. All calls are monitored, and we set high standards for the training and support given to agency staff.

Fundraising Standards

We subscribe by annual levy to the Fundraising Regulator and work to the standards of the Code of Fundraising Practice. We are not aware of any failures to comply with the standards set by other regulatory bodies. We are members of the Data and Marketing Association and, as members, we are expected to uphold the highest levels of compliance and standards. We are also corporate members of the Chartered Institute of Fundraising.

Fundraising on our Behalf

Where people or organisations offer to fundraise on behalf of The Salvation Army, we aim to ensure that a contract or agreement is in place and that the relationship, performance, and delivery are overseen either locally or centrally.

Monitoring Fundraising

We continually update and strengthen our internal processes and policies to ensure we have the highest ethical standards in accepting donations.

Salvation Army officers and corps treasurers will monitor fundraising carried out locally by members of the local congregation and by volunteers. Any donation in excess of £5,000 from a single source or related sources is reviewed and assessed by headquarters in line with our donations acceptance policy. Centrally we have a briefing and monitoring programme to assess the performance of our telephone bureau handling inbound donation calls and to ensure the quality of the calls meets our standards for sensitivity and kindness.

Directors are briefed on the requirements of CC20 and how these requirements are being met as part of their duties in relation to fundraising.

Complaints

The Salvation Army received 121 complaints about our fundraising in 2023/2024, compared with a total of 110 complaints in 2022/2023. We strive to fundraise respectfully and believe the relatively low number of complaints we receive each year reflects our sincere and sensitive approach to fundraising and how we communicate with our supporters and members of the public.

Any complaints we receive are handled in accordance with our Complaints Policy, which is based on the recommended standards set by the Fundraising Regulator. Our Policy is accessible on our website:

<https://www.salvationarmy.org.uk/sites/default/files/resources/2020-05/Complaints%20document-2020.pdf>.

Protecting People in Vulnerable Circumstances

Within our fundraising ethos, we take the protection of people in vulnerable circumstances very seriously. As a church and charity working locally and nationally with some of the most vulnerable and marginalised people in communities across the UK, and with a brand that is synonymous with kindness, sensitivity, sympathy, deep understanding and tolerance, we aim to fundraise in the most considerate ways we can and take appropriate action briskly when we are made aware of vulnerabilities.

We have a specific policy created in collaboration with our fundraising, supporter care and compliance teams to ensure we treat all our donors fairly, sensitively, and respectfully. We provide dedicated training for our fundraising staff to ensure this policy is understood and put into practice. Because we do not use external bodies or 'professional fundraisers' to fundraise on our behalf, we are very much in control of how fundraising appeals are carried out.

Our supporters make an essential contribution to the life and work of The Salvation Army; thanks to their support we can bring our mission to life. The relationship we have with our supporters is precious to us. Therefore, the intentional spirit of our fundraising is based on what we feel is fair, ethical, and appropriate to ask for. Our behavioural values of integrity, accountability, compassion, and respect are not only at the heart of our mission as a church and charity but are also the driving forces for the way in which we fundraise.

Streamlined Energy and Carbon Reporting (SECR) statement

At the Salvation Army Trust (SAT) we recognise that climate change represents a significant global threat.

We recognise that we need to reduce our operational energy use and carbon emissions, and we have set ourselves some challenging targets to achieve this. We are pleased to report our progress in this area over the last year.

Targets

Our carbon reduction targets for the operational emissions included in this report are:

- 50% reduction by 2030 (from a 2019/20 baseline)
- Net zero by 2040

What do we mean by net zero? We will reduce our emissions by at least 90%, in line with the criteria of the Science Based Targets Initiative's Net Zero Standard.

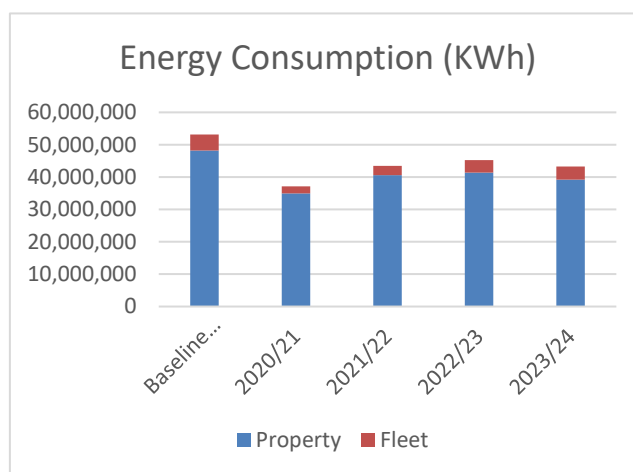
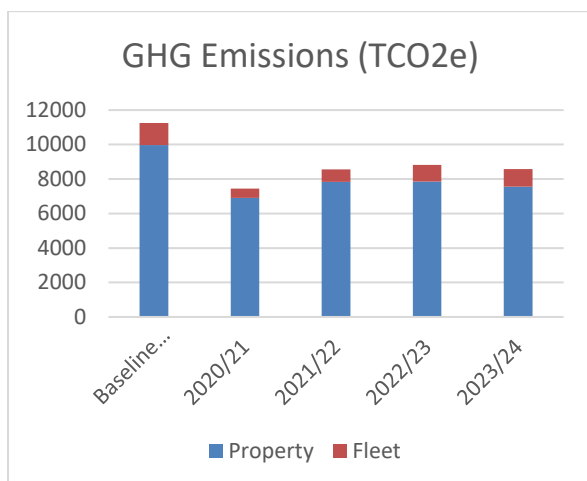
We have also calculated our wider indirect carbon footprint and set a target to reduce those emissions to net zero by 2040. Further details are included in our Net Zero Strategy 2040.

Reporting Methodology

This report has been prepared in accordance with the Streamlined Energy and Carbon Reporting Guidelines (SECR) 2019, the Greenhouse Gas Reporting Protocol Corporate Standard and ISO 14064-1. To convert activity data into carbon we have used the 2024 UK Government's Conversion Factors for Company Reporting.

Greenhouse gas emissions and energy use data

	Tonnes CO ₂ e					KWH				
	Baseline (2019/20)	2020/21	2021/22	2022/23	2023/24	Baseline (2019/20)	2020/21	2021/22	2022/23	2023/24
Scope 1 (Gas, Petrol, Heating Fuel)										
Property	6,692	5,150	5,963	5,533	5,302	36,397,018	28,009,598	32,553,522	30,367,641	29,044,689
Fleet	1,280	543	726	957	773	4,927,587	2,150,180	2,859,190	3,818,221	4,021,299
Total Scope 1	7,972	5,693	6,689	6,489	6,075	41,324,605	30,159,778	35,412,712	34,185,862	33,065,988
Scope 2 (electricity, grid average)										
Property	3,017	1,619	1,715	2,132	2,103	11,803,321	6,942,481	8,077,789	11,025,751	10,157,787
Total Scope 2	3,017	1,619	1,715	2,132	2,103	11,803,321	6,942,481	8,077,789	11,025,751	10,157,787
Scope 3										
N/A										
Total Scope 3	0	0	0	0	0					
Total (Grid Average)	10,989	7,312	8,404	8,622	8,178					
Intensity Ratio (Tonnes CO ₂ e per employee)	5	3	4	4	4					
Total energy Consumption						53,127,926	37,102,259	43,490,501	45,211,613	43,223,775



Our total energy consumption has decreased by 18.6% compared to our 2019/20 baseline. Total carbon emissions have reduced by 25.6% and our intensity of Tonnes CO2e per employee by 21%.

We have made satisfactory progress in reducing carbon emissions from our properties and from business travel.

Progress by area

Property

- Compared to 2019/20 baseline: 18.7% decrease in energy consumption and 23.7% reduction in carbon emissions.
- Compared to prior year: 3.7% decrease in energy consumption and 2.6% decrease in carbon emissions.

Actions:

- **Energy efficiency:** 12 of our corps had full LED lighting upgrades in 2023/24 and we continue to roll out LED lighting as standard for all lighting replacements. Additionally, we plan to undertake a full energy efficiency upgrade of one of our corps as at trial pathfinder project to a future larger retrofit programme.
- **Renewables:** 44 of our properties currently have roof-mounted Solar PV systems providing clean renewable energy and we are currently installing an additional 18 this year.
- **Reducing fossil fuel use:** currently most of our properties have fossil fuel-based heating systems with a small number of electric heat pumps. However beginning this year, we are starting a programme of energy retrofits to about 80 of our properties over the next three years which will include switching heating systems over to low carbon alternatives.

Fleet

- Compared to 2019/20 baseline: 18.4% reduction in energy consumption and 39.6% reduction in carbon emissions.
- Compared to prior year: 4.1% increase in energy consumption.

Actions:

- **Reducing fossil fuel use:** we continue to encourage the take-up of electric company cars, and we recently added EV and PHEV vehicles to our employee company car list. Currently we have 13 EV and PHEV on order and this trend will continue to increase.
- **Reducing travel:** we are actively encouraging more sustainable travel and recently updated our Travel Policy to have a more sustainable travel focus.

Colleague Engagement

Engaging our staff and volunteers on this agenda is important to us. We actively encourage our corps to sign up to the Eco Church Scheme. This is a Sustainability scheme for religious buildings in the UK that supports and certifies against good practice around buildings, green spaces, and lifestyle. Currently about 11% of our corps are members and we have target of 80% of corps to sign up by 2028.

We are currently developing a Care for Creation training module that will be rolled out early next year for both current and new staff and officers.

We provide updates throughout the year through our intranet, weekly internal newsletters, and articles in our *Salvationist* magazine.

Wider Strategy

This report covers a small part of our sustainability and carbon reduction programmes. Read more about the work we are doing in our Net Zero Strategy 2040 and Carbon Management Plan 2024-27. Both reports are available upon request.

REVIEWING FINANCES

The Accounts have been prepared in accordance with the Charities SORP and Financial Reporting Standard 102 (FRS 102).

Our main sources of income are as follows:

	2024 £m	2023 £m
Legacies	84.3	69.3
Donations from the public	73.4	71.6
Donations from members	17.7	17.7
Grants	4.2	3.4
Trading income	112.7	101.7
Investment income	12.5	8.9
Other income	22.5	15.1
	327.3	287.7

Voluntary Income

Voluntary income (including legacies, donations and grants from trusts and foundations) represents 55% of our total income and we continue to be deeply and sincerely grateful to the individuals who have remembered us in their wills, which is a crucially important, sustaining income stream. Donations from members represent the weekly or planned giving by soldiers and other members of The Salvation Army to their local Salvation Army corps (church).

Trading Income

Trading income comprises:

- Corps trading activities, mainly charity shops (£13.4 million). Net trading income is £5.9 million, compared with net trading income of £5.6 million in 2023.
- Income of trading subsidiaries: The Salvation Army General Insurance Corporation (£20.9 million) and The Salvation Army Trading Company (£82.9 million). There has been a decrease in net trading income with a surplus of £0.8m down from a surplus of £5.6m in 2023.

Other Income

The significant increase between 20223 and 2024 primarily relates to gains on properties disposed in year 2024 £18.3m (2023 £12.7m)

Expenditure has increased from £273.7 million to £308.9 million.

Cost of trading activities has increased in part due to supporting the increased income generation channels and primarily the increase is due to inflationary pressures. Church and evangelism programme costs have increased because of increased direct costs as well inflationary pressures.

	2024	2023
	£m	£m
Cost of raising donations and legacies	19.7	15.6
Cost of trading activities	111.0	95.1
Total cost of raising funds	130.7	110.7
Charitable activities:		
Church and evangelism programmes	64.4	53.5
Community programmes	64.3	70.2
International programmes	8.9	7.2
Training programmes	7.7	7.1
Youth and young people's programmes	3.1	2.6
Grant to Social Work Trust	29.7	22.3
Total charitable activities	178.1	162.9
Financing Activities	0.1	0.1
Total expenditure	308.9	273.7

Costs of Raising Donations and Legacies

This represents the costs of our central Fundraising Department and the cost of our appeals and other costs associated with raising funds.

Church and Evangelism Programmes

This represents Christian worship and the teaching and promotion of the Christian message at our corps, regionally and nationally.

Community Programmes

Programmes organised by our corps to meet the needs of their local community are increasing in scale and diversity and are described elsewhere in this report.

International Programmes

This represents grants to The Salvation Army International Trust, overseas projects funded by the UK Territory and the costs of the International Development Unit.

Training Programmes

This represents the costs of William Booth College which trains people to become Salvation Army officers and runs education and learning programmes for employees and officers.

Youth and Young People's Programmes

This represents national programmes including The Salvation Army's work with young people and young adults.

Grant to The Salvation Army Social Work Trust

This represents the financial support provided to our social programmes for those in need. This includes work with the homeless, older people, unemployed people, and victims of human trafficking.

Net income, which includes gain on investments of £30.5 million (2023: £1.0 million deficit), was £47.6 million (2023: £12.9 million income).

Total funds as at the year-end were as follows:

	2024 £m	2023 £m
Endowment funds	17.3	15.2
Restricted funds:		
Property fund	352.2	343.8
Corps funds	55.4	53.7
Legacy reserves	89.7	84.5
Trust funds	2.5	2.3
Specific donations	13.1	14.1
	512.9	498.4
Unrestricted funds:		
Non-charitable trading funds	22.3	22.8
Designated funds	246.1	213.9
General reserve	102.2	103.1
	370.6	339.8
Total funds	900.8	853.4

Endowment Funds (see Note 21 to the accounts)

The endowment funds are represented by investments in William Leech (Investments) Limited and in the Common Investment Funds and the movement is due to the overall increase in market value of those investments. The capital value of the funds is retained but the income is applied to fund our work.

Restricted Funds (see Notes 22 & 23 to the accounts)

The property fund represents property assets owned by The Salvation Army for operational purposes and hence is not available for expenditure.

Corps funds represent funds generated by corps. These are restricted for use in their local area.

Other restricted reserves represent funds given by donors for specific purposes.

Unrestricted Funds (see Note 24 to the accounts)

Non-charitable trading funds are profits retained in the subsidiary companies to provide working capital for their trading operations.

Designated funds are set aside by the directors for specific purposes, principally the acquisition of officers' quarters and major maintenance work on the property portfolio. Salvation Army officers (active and retired) are provided with accommodation. Funds have been set aside to enable the purchase of suitable properties as they are required. Funds have also been set aside to fund the work required on corps properties as part of our continuing

planned maintenance rolling five-year programme. Funds are also designated to finance new mission initiatives, fund Field Service Training and various approved standalone programmes. All designated reserves are reviewed annually for obsolescence with surpluses being transferred back to general reserves.

Unrealised gains

These are gains and losses because of market value fluctuations which have not yet been realised.

General reserve

This represents funds which are freely available for the general purposes of the charity.

RESERVES POLICY

We rely on donations, legacies, and grants to fund our activities. These can be uncertain and fluctuate from year to year. They represented 54 per cent of our total income for the year ended 31 March 2024. We need reserves to ensure that the operation of our church and community programmes can continue in the event of fluctuations in voluntary income and unexpected expenditure. We also want to be able to provide for the new and innovative opportunities that may appear to further the mission of The Salvation Army Trust.

The total value of funds held as at 31 March 2024 was £901m (2023: £853m). There are restricted reserves of £513m (2023: £498m), unrestricted reserves of £371m (2023: £340m), and endowment reserves of £17m (2023: £15m).

The unrestricted funds include general reserves, designated funds, and non-charitable trading funds. General reserves are utilised to fund the day-to-day needs of The Salvation Army. These were £102m as at 31 March 2024 (2023: £103m). The designated funds are unrestricted but set aside by the directors for specific purposes, £246m (2023: £214m). The non-charitable trading funds totalled £22.3m (2023: £22.8m).

General reserves at the year-end were £102m, which is above the target range of £34.6m to £57.5m. The target range is modelled looking at income and expenditure with an associated risk factor (correlated with a higher likelihood of an adverse outcome) considered annually and duly reflected in the annual Reserve Policy. Like other charitable organisations, we are facing increased costs in delivering our missional activities and supporting vulnerable people within our society from high inflation as well as a challenging fundraising environment as the cost-of-living crisis continues to bite. A deficit budget has been approved for 2025/26 which will result in a significantly lower general reserve towards the lower end of the target range. The Trustee review the reserves policy on an annual basis taking account the changing internal and external risk factors.

INVESTING FOR THE FUTURE

The charity holds its investments in The Salvation Army Common Investment Funds. These funds were set up under Schedule 2 of The Salvation Army Act 1980 to act as common investment schemes for certain Salvation Army Trusts.

The Salvation Army Common Investment Fund (No 1) consists of permanent endowments which are restricted by the wishes of the donor. In most cases the income is to be used for restricted purposes. The Salvation Army Common Investment Fund (No 2) is operated for

those Salvation Army Trusts without permanent endowments. Both funds are managed by The Salvation Army Trustee Company. Cazenove Capital Management manages CIF1 and 50 per cent of CIF2, while Sarasin & Partners LLP manage 50 per cent of CIF2.

The funds are subject to The Salvation Army Act 1980 and the following guidelines:

- the principal aim is to invest in a manner consistent with the promotion of the objects of The Salvation Army;
- investments should be made on longer-term considerations rather than in the pursuit of short-term gains;
- investments may be held in stocks, shares, debentures, and other securities quoted on a recognised stock exchange, in government, municipal and public utility stocks and in bank deposit accounts;
- investments may be made in collective investment schemes, including those holding real estate assets;
- no direct investment may be made in unquoted securities in the UK or overseas
- there will be no investment in companies which derive a material amount of their revenues (% indicated) from the following activities:
 - the production of alcohol (5%)
 - the sale, together with any production, of alcohol (10%)
 - the production of tobacco (5%)
 - the sale, together with any production, of tobacco (10%)
 - the manufacture of whole weapons, weapon platforms and weapon systems (no minimum limit)
 - the manufacture or sale of strategic parts for weapons systems (10%)
 - the business of gambling or providing access to such businesses (5%)
 - the production of adult entertainment services or providing access to such services (1%)
 - the publication or wholesale of pornographic magazines or newspapers (1%)
- investment managers are expected to exclude companies whose activities might be expected to increase poverty or act against the relief of poverty. The investment managers are required to monitor companies in the portfolios to ensure best practice in corporate governance, employment conditions and environmental sustainability.

The Funds' benchmark and ranges of distribution are as follows:

Asset Class	Benchmark	Range
	%	%
Equities:		
Global	100	+/-10
Bonds	0	+10
Cash	0	+10
	100	

The aims and objectives of the Common Investment Funds are as follows:

CIF1

Fund strategy is:

- to preserve the value of the fund, adjusted for real inflation
- to maintain a steady annual income stream

The performance objective of the Fund is to achieve an annual total return which exceeds the composite benchmark below by at least 1.25 per cent per annum, gross of fees, measured over rolling three-year periods, commencing 1 January 2011.

Asset Class	Performance Benchmark
UK Equities	FTSE All-Share
Europe (ex UK) Equities	FTSE All World Developed Europe (ex UK)
Emerging Markets Equities	FTSE All World Emerging Markets
Asia Pacific Equities	FTSE All World Developed Asia Pacific
United States Equities	S&P 500
Property	AREF/IPD UK Quarterly All Balanced Property Fund

CIF2

The Fund strategy is to aim for capital growth rather than income. The performance objective of the Fund, excluding cash and gilts under lien, is to achieve an annual total return which exceeds the composite benchmark below by at least 1.25 per cent per annum, gross of fees, measured over rolling three-year periods commencing 1 January 2011.

Asset Class	Performance Benchmark
UK Equities	FTSE All-Share
Europe (ex UK) Equities	FTSE All World Developed Europe (ex UK)
Emerging Markets Equities	FTSE All World Emerging Markets
Asia Pacific Equities	FTSE All World Developed Asia Pacific
United States Equities	S&P 500
Property	IPD UK Property
Cash and gilts under lien	FTSE Gilts under 5 years

Performance for the year compared to the benchmark was as follows:

	CIF1	CIF1	CIF1	CIF2	CIF2	CIF2
	%	%	%	%	%	%
Annual total return (gross of fees)	16.9	4.0	5.3	14.4	1.1	6.1
Benchmark return	20.6	(2.6)	13.6	20.6	(2.6)	13.6

The performance is being monitored on a regular basis through discussions with the respective investment fund managers.

In absolute terms the performance of the Common Investment Funds for the year was as follows:

	CIF1	CIF1	CIF1	CIF2	CIF2	CIF2
	2024	2023	2022	2024	2023	2022
	%	%	%	%	%	%

(Decrease)/Increase in capital value of fund	18.6	2.9	6.8	12.8	-0.1	17.1
Average net income return	1.37	0.5	0.4	0.8	0.7	0.7

STRUCTURE, GOVERNANCE AND MANAGEMENT

The United Kingdom and Ireland Territory is under the command of a Territorial Commander, appointed by the General and responsible to him/her for the day-to-day administration of Salvation Army work throughout the British Isles, including the Channel Islands, the Isle of Man, and the Republic of Ireland.

The Salvation Army's assets in the United Kingdom are held by The Salvation Army Trustee Company (SATCo), a company limited by guarantee, registered in England (No 00259322) with its registered office at 1 Champion Park, London SE5 8FJ. The governing document of The Salvation Army Trust is The Salvation Army Act 1980, as amended. Under Section 12(1)(a) SATCo is appointed as the sole ordinary trustee of the trusts listed in Schedule 5 to that Act.

The two main trusts under which The Salvation Army operates in the United Kingdom are:

- The Salvation Army Trust, whose accounts are contained in this Report; and
- The Salvation Army Social Work Trust, Charity Registration No 215174 in England and SC037691 in Scotland.

Connected Trusts

SATCo is the trustee of a number of connected charitable trusts which are concerned with specific aspects of the Army's work.

The Salvation Army Social Work Trust

Governing instrument: Deed Poll dated 30 January 1891, and a supplementary deed dated 26 March 1969. Charity registration No 215174 in England and SC037691 in Scotland.

The objects of The Salvation Army Social Work Trust are to promote the charitable work of The Salvation Army, as SATCo shall think fit, in one or more of the following ways:

- the relief of poverty, sickness, suffering, distress, incapacity, or old age
- the advancement of education
- training in Christian and moral principles
- the assistance of those in need of protection

William Booth Memorial Trust

Governing instrument: Trust Deed dated 19 September 1921. Charity registration No 312882.

The purpose of this Trust is the establishment, maintenance, and operation of a college for the instruction and training of men and women for service as officers of The Salvation Army and others involved with or interested in the mission of The Salvation Army.

RISK MANAGEMENT

The Salvation Army identifies, assesses, and manages risks that could impact its activities so it can better achieve its objectives, comply with relevant laws and regulations, and safeguard its funds and assets.

The Board (SATCo) has ultimate responsibility for overseeing risk management, in accordance with Charity Commission guidance (CC26). The Risk Management Committee (RMC) directs an enterprise-wide risk management programme to inform decision-making and ensure effective procedures to identify and evaluate risks and implement effective controls.

The RMC considers the most recent developments in the most significant risks, while also prioritising broader developments to The Salvation Army's approach to risk management. Current plans include promoting a deepening appreciation of the complexities of risk management within a wide-ranging structure, the importance of metrics to inform risk management and the implications of macro and global risks that may have consequences for the organisation.

Risk management operates through a top-down review by the RMC and bottom-up review by individual functions, enabling the identification and prioritisation of key and emerging risks. This enables site and service-specific concerns to be identified and managed, while retaining high-level oversight and assurance of the most significant risks facing the organisation. The RMC reports to the Board at least once yearly on key risks. Through this risk management process the directors have considered the major risks facing the organisation and satisfied themselves that controls are established to manage them. Unfortunately, the nature of our work means that despite the steps we take, serious incidents can still arise, and we continue to place the utmost importance on reporting these to our regulators.

Principal Risks

The Salvation Army's work is diverse, geographically spread across a broad range of settings and has a variety of beneficiaries. The risk landscape is therefore varied, and controls are deployed appropriately at different levels of the organisation. The following outline indicates the most significant risks to The Salvation Army in the reporting period and some of the strategic level mitigations we have in place.

Principal Risks	Mitigation
Business Continuity – There is a risk of an occurrence of a significant incident where, during and after the incident, The Salvation Army will not be able to continue to be viable and meet stakeholder expectations.	Business continuity policies and procedures, including the application of ISO27001 for some parts of the organisation, prepare us for management of interruptions.
Cyber – The risk is that we fail to protect our information systems and the information they hold.	We deploy multiple measures to protect our systems and the information they hold. We work within an information security international standard (ISO27001) and build on lessons from our internal and external audits in this area.
Data Protection – The risk that we fail to protect sensitive and personal data.	As well as our data protection / GDPR policies and training, we take steps to ensure that personal data are treated properly through appropriate security measures, staff training, the use of data protection impact assessments and contractual requirements with organisations we work with who process our personal data.
Financial Sustainability – The risk that there is insufficient revenue income from legacies, donations, trading activities and reserves to support our operating model resulting in the failure of The Salvation Army to thrive in a rapidly changing environment.	We continue to monitor the funding situation and adjust our financial planning and commitments accordingly to ensure we are financially resilient.
Healthy Corps and Centres – There is a risk that a variety of factors prohibit flourishing of our churches and centres.	We seek to understand how our corps (churches) and centres can thrive in a wider environment of falling church attendance. We are taking steps to establish and measure factors that contribute to healthy mission and provide close support to our corps officers in their daily work.
Safeguarding – The risk is that we fail to provide a safe environment, free from abuse, for everyone, including vulnerable beneficiaries.	We continue to maintain clear policies and procedures in relation to safeguarding and ensure the appropriate screening, training, and supervision of personnel. A subcommittee of RMC – the Territorial Safeguarding Committee – oversees management of the risk.
Safe Mission – The risk is that we are not able to ensure the health, safety and welfare of personnel, service users and members of the public who are affected by our activities.	Comprehensive policies, procedures, and guidance are in place, alongside a supervisory control framework. Two RMC subcommittees – the Safe Mission Council and the Sudden Deaths Review Group – inform the management of this risk.

RISK AND GOVERNANCE

The charity has a dedicated internal audit function that undertakes audits as agreed with the Audit Committee and maintains a detailed risk register that addresses the major risks that face the organisation and may impact its ability to achieve its objectives. The key risk register is subject to regular review by the Risk Management Committee in order to take account of emerging risks and changes in the risk profile. They meet quarterly. The risk register is discussed annually at the SATCo Board for information and review.

The Internal Audit Department periodically reviews SATCo's performance against the Charity Governance Code. The Internal audit department carried out a review in the period to 31 March 2024 and identified a number of minor improvements in line with best practise which SATCO acknowledge and will implement in the forthcoming Internal Audit review period.

SUBSIDIARY AND ASSOCIATED COMPANIES

The following companies are beneficially owned by The Salvation Army Trust and donate all or part of their profits to The Salvation Army Trust:

1. Salvation Army Trading Company Limited (SATCoL) (100% shareholding)
Registered company number: 02605817
 2. The Salvation Army General Insurance Corporation Limited (SAGIC) (100% shareholding)
Registered company number: 101071
1. **SATCoL** is a wholly owned subsidiary of The Salvation Army Trust. Its main activity is the collection and sale of second-hand clothes donated by the public through both wholesale and retail activities in its 230 charity shops and donation centres, recycling and the supply of Salvation Army publications, uniforms, and other related materials.
 2. **SAGIC** is a wholly owned subsidiary of The Salvation Army Trust and was formed in 1909. Its principal activity is transacting property insurance in the United Kingdom. SAGIC also provides home and contents insurance to officers, members and supporters of The Salvation Army as well as to the general public, either directly or through its broker network.

Connected Company

The Salvation Army Trust holds 20 per cent of the shares in William Leech (Investments) Limited. It is not considered to be an associated company and is valued in both the Trust and Consolidated Balance Sheets at share of underlying net assets which equates to its fair value.

RECRUITMENT AND APPOINTMENT OF DIRECTORS

There are 14 directors of Salvation Army Trustee Company (SATCo, the sole trustee of The Salvation Army Trust), 8 by virtue of their appointments within The Salvation Army. One director is a divisional leader responsible for one of The Salvation Army's 14 divisions.

The other 5 directors are non-executive directors, and each brings expertise in a relevant field, as approved by the General – including property, finance, investments, or social services. The appointment of non-executive directors is made by SATCo on the recommendation of the Nominations Committee.

Training and Induction of Directors

The Company Secretary briefs new directors on their legal responsibilities and familiarises them with the Company's governance folder (and previous Board minutes). This includes the articles of association of SATCo, the Charity Commission's essential trustee guidance, and other key documents and policies (including the Conflicts of Interest Policy). The Company Secretary regularly delivers a written governance update on relevant issues at board meetings. Directors are also informed of and provided with the opportunity to attend several training sessions throughout the year.

Organisational Structure and Decision Making

SATCo's board ('the Board') is assisted by an Audit Committee, a Nominations Committee, an Investment Advisory Committee, and a Risk Management Committee. The Audit Committee comprises a non-executive director chair and up to three independent members with a remit to review The Salvation Army's internal and external audit arrangements and consider reports issued by internal and external auditors, including the annual financial statements. The role of the Nominations Committee is to recommend new non-executive Board members. The Investment Advisory Committee includes three external advisers in its membership and advises on appropriate investment strategy and investments. The Risk Management Committee's role is outlined above under Risk Management.

The Board met bimonthly, with some additional meetings scheduled as required in this reporting year. In addition to its oversight and governance role, the following matters require consideration and approval by the Board:

- annual budget
- individual items of expenditure of £5 million and above
- investment policy, on the recommendation of the Investment Advisory Committee
- Risk Register
- Key policies
- Annual Financial Statements

The Board has delegated day-to-day operational matters to the Territorial Operations Board, under the leadership of the Chief Secretary.

Public Benefit

The Trustee confirm that they have considered the Charity Commission's published guidance on the public benefit requirement under the Charities Act 2011.

We believe that in delivering public benefit we are effective because we bring the breadth of our capabilities to bear on the complex challenges being faced by our local corps (churches), which have experienced even greater numbers of people seeking assistance, and our residential, which have been required to support people with increasingly complex needs. The organisation's Vision and Mission Priorities set out how we meet those challenges to make a difference over the current decade and beyond. Find out more in the sections 'Belief in action – our churches and community centres,' 'Reaching out to vulnerable people,' 'Seeing the bigger picture,' 'Our 10-year homelessness services development strategy - "1,000 voices"', and 'Looking Forward as a Movement'.

Trustee's Responsibilities

The Trustee is responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law applicable to charities in England and Wales/Scotland/Northern Ireland requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources of the group for that period. In preparing these financial statements, the Trustee is required to:

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

The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The financial statements are published on The Salvation Army website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of The Salvation Army's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Remuneration of Key Management

Key management personnel of The Salvation Army comprise Salvation Army officers and employees. Salvation Army officers do not receive a salary; they receive an allowance based on length of service and seniority of position and, as ministers of religion, are provided with furnished accommodation and a motor vehicle. The allowances received by officers in positions of key management range from £19,306.17 to £24,949.79 per annum.

Further information is disclosed in Notes 11 and 12 to the Accounts.

For employees, we are committed to ensuring a proper balance between paying salaries which will enable us to attract and retain staff of the appropriate calibre and careful stewardship of charitable funds. All senior salaries are benchmarked against senior staff salaries of comparable organisations in the not-for-profit sector.



On behalf of the Directors of The Salvation Army Trustee Company
19 May 2025

DIRECTORS

The current directors of The Salvation Army Trustee Company and those who held office during the financial year are as follows:

Commissioner Anthony Cotterill	(until 31.12.23)
Commissioner Paul Main	Chair
Commissioner Jenine Main	(until 31.12.23)
Colonel Peter Forrest	Deputy Chair (appointed 19.01.24)
Lieut-Colonel Nicholas Coke	(appointed 05.07.24)
Lieut-Colonel Mark Herbert	
Lieut-Colonel Paul Kingscott	(appointed 10.05.24)
Lieut-Colonel Andrew McCombe	
Lieut-Colonel Beverley McCombe	
Lieut-Colonel Dean Pallant	(until 30.06.24)
Lieut-Colonel Judith Payne	(until 24.07.24)
Lieut-Colonel Alan Read	(until 01.05.24)
Major Judith Hilditch	(until 30.04.23)
Major Amanda White	(appointed 26.09.24)
Philip Edwards	
Peter Gale	
Aidan Grills	(appointed 10.05.24)
Jennifer Laurent-Smart	(appointed 26.09.24)
Helen O'Brien	
Mark Puller	(until 12.05.23)
Andrew Stickland	

The Chief Secretary, Colonel Peter Forrest, is responsible for the day-to-day management of the charity.

Committee Members (current)

Territorial Operations Board

Colonel Peter Forrest (Chair), Commissioner Jenine Main, Lieut-Colonel Paul Kingscott (until 17.03.24), Major Jane Cowell, Lieut-Colonel David Shakespeare, Major Mike Lloyd-Jones, Major Julian Watchorn, Major Richard Waters, Tony Daniels (until 04.09.24), Miguel Fiallos, Peter Grant, Mitch Menagh (until 04.09.24), Alex O'Hara, Nick Redmore, Major Pam Pitt (appointed 01.07.24), Major Kerry Coke (appointed 18.09.24), Major Kathy Betteridge (appointed 18.09.24), Polly Hughes (appointed 18.09.24), Julius Wolff-Ingham

Audit Committee

Andrew Stickland (Chair), Mike Grills, Stephen Bright, Hannah Greenfield (until 21.11.24)

Investment Advisory Committee

Peter Gale (Chair), Lieut-Colonel Alan Read (retired 01.05.24), Marcel Schuster, Mary Haly, Daniel Wills, Mark Chaloner, Philip Rotheram (until 30.11.23), Lieut-Colonel Paul Kingscott (appointed 18.04.24)

Nominations Committee

Commissioner Paul Main, Colonel Peter Forrest, Lieut-Colonel Alan Read (until 01.05.24), Elliot Thomas, Lieut-Colonel Paul Kingscott (appointed 18.04.24)

Risk Management Committee

Helen O'Brien (Chair), Lieut-Colonel Drew McCombe (ex-officio), Lieut-Colonel Beverley McCombe (ex-officio), Lieut-Colonel Dean Pallant (until 30.06.24), Lieut-Colonel Alan Read (retired 01.05.24), Lieut-Colonel David Shakespeare, Major Kerry Coke, Major Sarah Price, Major Howard Russell (until 23.10.24), Daniel Wills, Elliot Thomas, Julius Wolff-Ingham, Lynette Sturgeon, Matthew Saxon, Lieut-Colonel Nick Coke (ex-officio) (appointed 01.07.24), Lieut-Colonel Paul Kingscott (ex-officio) (appointed 18.04.24), Lieut-Colonel Jonathan Roberts (appointed 01.09.24)

Company Secretary

Elliot Thomas is Company Secretary of The Salvation Army Trustee Company.

ADVISERS

Bankers

Reliance Bank Limited, Faith House, 23/24 Lovat Lane, London EC3R 8EB

Auditors

Crowe U.K. LLP, Statutory Auditor, Chartered Accountants, 55 Ludgate Hill, London EC4M 7JW

Solicitors

England and Wales: Slaughter and May, 1 Bunhill Row, London EC1Y 8YY
Scotland: Blackadders, 5 Rutland Square, Edinburgh EH1 2AX

Investment Advisers

BWCI Consulting Limited, PO Box 68, Albert House, South Esplanade, St Peter Port, Guernsey GY1 3BY

Investment Managers

Cazenove Capital Management, 12 Moorgate, London EC2R 6DA
Sarasin & Partners LLP, Juxon House, 100 St Paul's Churchyard, London EC4M 8BU
Legal & General Investment Ltd, One Coleman Street, London, EC2R 5AA

INDEPENDENT AUDITORS REPORT TO THE TRUSTEE OF THE SALVATION ARMY TRUST

Opinion

We have audited the financial statements of The Salvation Army Trust ('the charity') and its subsidiary ('the group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 March 2024 and of the group'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 Salvation Army Act 1980, the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (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.

Conclusions relating to going concern

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.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's or the group's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

The trustee is responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, 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.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustee's annual report; or
- sufficient and proper accounting records have not been kept by the charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustee

As explained more fully in the trustee's responsibilities statement set out on page 61, the trustee is 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 trustee 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 trustee is responsible for assessing the group and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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 including internal specialists and significant component audit teams. 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 charity 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 Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS102) 2019. 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 charity'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 charity and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Salvation Army Act 1980, General Data Protection Regulation (GDPR), Taxation legislation and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustee 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 legacy income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit, legal counsel and the Audit Committee about their own identification and assessment of the risks of irregularities, designing audit procedures over legacy income, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, OSCR 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 charity's trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustee 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 charity and the charity's trustee as a body, for our audit work, for this report, or for the opinions we have formed.



Crowe U.K. LLP

Statutory Auditor

London

Date: 22 May 2025

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Crowe U.K. LLP is eligible for appointment as auditor of the charity under regulation 10(2) of the Charities Accounts (Scotland) Regulations by virtue of its eligibility under section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2024

				2024	2023
					Restated
	Notes	Endowment	Restricted	Unrestricted	Total
		£000	£000	£000	£000
INCOME AND ENDOWMENTS FROM					
Donations, Legacies and Grants					
Legacies		-	12,189	72,139	84,328
Donations – Public		-	10,807	62,614	73,421
Donations – Members	3	-	17,521	161	17,682
Grants	4	271	3,825	108	4,204
Trading Activities	5	-	13,448	99,239	112,687
Investments	6	-	652	11,877	12,529
Other					
Gain on property disposal		-	3,832	14,506	18,338
Other income		-	4,129	-	4,129
Total Income		271	66,403	260,644	327,318
EXPENDITURE					
Raising Funds					
Costs of raising donations, legacies and grants		-	62	19,685	19,747
Costs of trading activities	5	-	7,511	103,467	110,978
		-	7,573	123,152	130,725
Charitable Activities					
Church and Evangelism Programmes	8	-	24,348	40,068	64,416
Community Programmes		-	35,287	29,055	64,342
International Programmes		-	5,206	3,700	8,906
Training Programmes		-	18	7,673	7,691
Youth and Young People's Programmes		-	-	3,103	3,103
Grant to the Salvation Army Social Work Trust		-	-	29,652	29,652
		-	64,859	113,251	178,110
Financing Costs	18	-	-	48	48
		-	-	48	48
Total Expenditure		-	72,432	236,451	308,883
Gains/(Losses) on Investments	17(a)	1,779	471	26,725	28,975
Net Income/(Expenditure)		2,050	(5,558)	50,918	47,410
Transfer between funds	23/24	-	20,090	(20,090)	-
NET MOVEMENT IN FUNDS		2,050	14,532	30,828	47,410

Fund balances brought forward	15,238	498,333	339,804	853,375	840,304
Fund balances carried forward at 31 March 2024	17,288	512,865	370,632	900,785	853,375

All activities reported above, in both the current and preceding years, reflect ongoing activities. Detailed comparative information is provided in note 32. Notes 1 to 32 form an integral part of these accounts.

CONSOLIDATED BALANCE SHEETS
AS AT 31 MARCH 2024

	Notes	Consolidated 2024	2023 Restated	Trust 2024	2023 Restated
		£000	£000	£000	£000
FIXED ASSETS					
Intangible Fixed Assets	14	148	152	-	-
Tangible Fixed Assets					
Properties	15	379,900	305,979	371,801	300,505
Property Schemes in Progress	15	10,455	66,067	10,455	66,067
Motor Vehicles and Equipment	16	26,488	16,642	8,261	4,151
Investments	17	334,020	303,079	337,442	306,363
		<u>751,011</u>	<u>691,919</u>	<u>727,959</u>	<u>677,086</u>
CURRENT ASSETS					
Short-Term Deposits		51,272	61,552	51,272	61,552
Stock		1,827	1,938	202	209
Debtors	18	99,052	76,341	91,208	68,165
Bank Balances and Cash		89,249	69,276	78,381	51,711
		<u>241,400</u>	<u>209,107</u>	<u>221,063</u>	<u>181,637</u>
CREDITORS: amounts falling due within one year	19	(84,705)	(40,147)	(69,900)	(27,758)
NET CURRENT ASSETS		<u>156,695</u>	<u>168,960</u>	<u>151,163</u>	<u>153,879</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>907,706</u>	<u>860,879</u>	<u>879,122</u>	<u>830,965</u>
CREDITORS: amounts falling due after one year	20	(309)	(389)	(309)	(389)
Provision for liabilities		(6,612)	(7,115)	-	-
TOTAL NET ASSETS		<u>900,785</u>	<u>853,375</u>	<u>878,813</u>	<u>830,576</u>
FUNDS					
Endowment Funds	21	17,288	15,238	17,288	15,238
Restricted Funds					
Property Fund	22	352,212	343,786	352,212	343,786
Other Restricted Funds	23	160,653	154,547	160,653	154,547
Unrestricted Funds	24	370,632	339,804	348,660	317,005
TOTAL FUNDS	25	<u>900,785</u>	<u>853,375</u>	<u>878,813</u>	<u>830,576</u>

Approved on behalf of The Salvation Army Trustee Company on 19 May 2025.

Notes 1 to 32 form an integral part of these accounts.



Lieut-Colonel Paul Kingscott
Director



Commissioner Paul Main
Director

The Salvation Army Trust Report and Financial Statements for the year ended 31 March 2024

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £000	2023 Restated £000
NET CASH PROVIDED BY OPERATING ACTIVITIES	30	34,994	20,720
Additions to intangible assets		(144)	-
Additions to Properties		(24,941)	(17,811)
Additions from Property Schemes in Progress		(22,766)	(38,341)
Proceeds on Disposal of Properties		26,678	18,336
Additions to Motor Vehicles and Equipment		(14,607)	(9,671)
Proceeds on Disposal of Motor Vehicles and Equipment		-	84
Additions to Investments		(3,493)	(789)
Proceeds from Disposal of Investments		1,527	359
Investment Income		12,529	8,873
NET CASH (USED IN) INVESTING ACTIVITIES		(25,217)	(38,960)
NET CASH (USED IN) FINANCING ACTIVITIES			
Loan Repayments		(84)	(90)
Change in Cash and Cash Equivalents		9,693	(18,330)
Cash and Cash Equivalents at beginning of year		130,828	148,741
Cash and Cash Equivalents at end of year		140,521	130,411

ANALYSIS OF CHANGES IN NET DEBT

	Balance 1 April 2023 £000	Cash-Flows £000	Loan Repayments £000	Balance 31 March 2024 £000
Cash at Bank	69,276	19,973	-	89,249
Short term deposits	61,552	(10,280)	-	51,272
Total of cash and cash equivalents	130,828	9,693	-	140,521
Loans falling due within one year	(28)	-	5	(23)
Loans falling due after more than one year	(389)	-	80	(309)
	130,411	9,693	85	140,189

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1. CHARITY INFORMATION

The Salvation Army in the UK is an integrated, yet diverse, organisation that contributes to the betterment of society in the service of God and people. Legally we are structured under two main trusts. These are:

- The Salvation Army Trust (Charity Registration No. 214779 in England and Wales, and SC009359 in Scotland)
- The Salvation Army Social Work Trust (Charity Registration No. 215174 in England and Wales, and SC037691 in Scotland)

These financial statements are for The Salvation Army Trust (Salvation Army Trust, the Trust). The address of the registered office is 1 Champion Park, London, SE5 8FJ.

2. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements and which have been consistently applied are set out as follows:

(a) Basis of Accounting

The accounts (financial statements) have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standards applicable in the UK and the Republic of Ireland and Charity SORP (FRS102) applicable to charities preparing their accounts in accordance with FRS102, , The Salvation Army Action 1980, the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the previous Statement of Recommended Practice: Accounting and Reporting by Charities which was effective from 1 April 2005 but which has since been withdrawn.

Salvation Army Trust meets the definition of a public benefit entity under FRS 102.

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

(b) Prior year restatement

A number of prior year adjustments have been identified due to error or incorrect application of our accounting policies. The impact of the prior year adjustments has increased prior year reserves from £786m to £853m. More detailed descriptions of each adjustment are included within Note 31.

(c) Going Concern

Salvation Army Trust has felt the financial impact of global economic factors, particularly the high inflation rates on our cost base plus the related cost-of-living crisis. At the time of writing the Bank of England projections indicate that inflation will rise to 3.7% and expected to fall back to the 2% target, but this remains a watching brief with the current instability arising through the trade tariffs being imposed by the USA. With the current interest rates, reducing at a much slower pace, unemployment is expected to increase as the economic growth forecast is expected to decrease. The organisation anticipates that the trading environment will continually be challenging especially against the backdrop of the current socio-economic and socio-political climate.

Financial projections and other supporting financial models that detail potential financial impacts of this economic environment on the Salvation Army Trust are reviewed on a regular basis by the operational boards, as well as further scenario planning to assess the potential short, medium and long-term financial implications of other risks and opportunities, although this is currently undertaken on a lower-level scale.

Looking ahead, we plan to better utilise the financial reserves to support the organisation and where necessary invest in strategic priorities. This financial year, 2023-24 saw us continuing to spend on our strategic aims. The closing unrestricted reserves were £371m (2023: £340m) and the cash and bank balances were £89m (2023: £69m). The Directors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of approval of these financial statements and are not aware of any material uncertainties that may adversely affect the organisation. Accordingly, the financial statements will continue to be prepared on the going-concern basis.

(d) Consolidation

The financial statements aggregate the results of the corps which, for the purposes of compliance with the Statement of Recommended Practice, are considered to be branches, the results of the subsidiary companies and of the subsidiary trust (William Booth Memorial Trust).

The Statement of Financial Activities (SOFA) and balance sheet consolidate, on a line-by-line basis, the financial statements of the Trust and its subsidiary undertakings. The Trust has taken advantage of the exemption in FRS102 from the requirement to prepare a charity-only cash flow statement and certain disclosures about the Trust's financial statements.

(e) Critical accounting judgements and key sources of estimation uncertainty

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

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

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

(i) Legacy income

Income from legacies is recognised when there is entitlement and the income can be measured reliably, and receipt is probable as detailed within accounting policy (f). Legacies not recognised in the year are detailed in note (f).

(ii) Pension obligations

The Salvation Army Trust contributes to the underlisted defined benefit pension or similar schemes in respect of its staff:

- The Salvation Army Officers' Pension Fund relating to Salvation Army officers
Contribution levels are based on a number of critical underlying assumptions such as post and pre-retirement discount rates, rates of increase in allowances and pensions as well as the rate of inflation. The fund has a funding surplus; no deficit funding provision is required although variation in these assumptions may significantly impact the surplus (as analysed in Note 13a).
- The Salvation Army Employees' Pension Fund.
This is a multi-employer defined benefit scheme. Managements' estimate of the defined benefit obligation is based on a number of critical underlying assumptions such as post and pre-retirement discount rates, rates of increase in allowances and pensions as well as the rate of inflation. The scheme has a funding surplus; no deficit funding provision is required although variation in these assumptions may significantly impact the surplus (as analysed in Note 13b).

(iii) Identification and valuation of investment properties

Salvation Army Trust's property portfolio is reviewed annually to identify investment properties, which are those properties held to earn income or for capital appreciation rather than to be used for its charitable purposes. Properties no longer used for charitable purposes but retained until market conditions allow their disposal are not treated as investment properties, provided disposal is intended within a three-year window. If disposal does not

occur within this period and the property is not re-engaged for charitable purposes, it is reclassified to investment property.

After initial recognition, investment property is measured at its fair value which is determined by members of staff with relevant experience and qualifications, and the valuation is performed using open market data for comparable properties. The property will be valued at each subsequent reporting date.

(iv) Provisions in the insurance subsidiary company

Judgments and estimates are made in calculating the insurance technical provisions which are based on claims and premium trends from the previous year, in compliance with FRS 103.

(f) Income

All income is included in the SOFA when the Trust is entitled to the income, receipt is probable, and the amount can be measured reliably. Income includes:

- (i) Donations, and Legacies – Donations are accounted for when received. No amounts are included in the financial statements for services by volunteers. Gift Aid receivable is included as income when the donation is made and where there is valid Gift Aid declaration from the donor.
Legacies income is recognised when it satisfies the following criteria:

- a) there is sufficient evidence of a legacy having been left to the Trust based on probate having been granted before the year end;
- b) the Trust has been notified and has a reasonable estimate of the amount due. For residuary legacy interests, the Trust has received the confirmation of sufficient assets in the estate, in the form of either a summary of the estate from Smee & Ford or an assets and liabilities statement or estate accounts; and there are no known outstanding disputes.
- c) where a legacy is subject to the interest of a life tenant, the income will not be recognised until the death of the life tenant; and
- d) measurement of legacy income due from a residuary estate is exposed to inherent uncertainties represented by property and other investments whose value is subject to market fluctuations until realised. Additionally, professional administrative fees are incurred during an estate administration until final distribution. The Trust recognises these uncertainties by using the latest available estate valuation information and allowing for these fluctuations by applying a discount provision against expected income of between 5% and 20% per estate, based on the individual circumstances of each estate.

The estimated value of legacies notified, but neither received nor included in income, is £5.1m (2023: £4.6m).

- (ii) Investment Income – Dividends, interest and rent from investment properties are recognised in the year for which they are received or receivable.
- (iii) Grants are recognised when they are receivable, providing that any conditions attached to the grants and outside the charity's control have been fulfilled. Where, at the balance sheet date, conditions remain unfulfilled, the grants are deferred pending satisfaction of these conditions. If amounts are receivable for specific purposes, the income is shown as restricted
- (iv) Profits and losses on disposal of assets are reflected in the Statement of Financial Activities in the year of disposal.
- (v) Trading Income – Trading income is recognised at the point of sale for retail sales and at the time of distribution for wholesale unsorted clothing. Trading income also includes insurance income and Gift Aid through the shops.
- (vi) Premium income of the insurance subsidiary is recognised by reference to the period over which the premium is earned. Unearned premiums represent the proportion of premiums written in the year that relate to the unexpired terms of the policies in force at the balance sheet date, calculated on a time apportionment basis.
- (vii) Funds raised by local corps, including trading income, are deemed to be restricted for use in the local area, as the expectation of local donors is for monies to be used to fund local communities.

(g) Expenditure

Expenditure is recognised on the accruals basis when a legal or constructive obligation arises and when the amount can be measured or estimated reliably. Irrecoverable Value Added Tax is charged to the related heads of expenditure.

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(i) Irrecoverable Value Added Tax is charged to the related expenditure.

(ii) Expenditure

- Costs of raising donations, legacies and grants consist of direct campaign appeal expenses and the running costs of the Fundraising Department.
- Cost of trading activities consists of cost of sales, distribution and operational costs and the claims costs of the insurance subsidiary.
- Charitable Activities consists of all expenditure relating to the objects of the charity including the costs of supporting charitable activities and projects.

Support costs, including governance, have been apportioned to each category of expenditure: number of Full Time Equivalent, equipment per headcount, transactions, and buildings per cost centre.

(iii) The non-capital element of property schemes is written off in the year in which costs are incurred. The capital element of such schemes not completed at the year-end is carried forward in the Balance Sheet under the heading of Property Schemes in Progress and is accounted for as a fixed asset.

(iv) The Salvation Army Officers' Pension Fund

The Salvation Army Officers' Pension Fund was established by The Salvation Army Act 1963 under the legal name, The Salvation Army Officers Pension Fund. It is a registered charity and retirement benefits are not guaranteed and are paid at the discretion of the Board of the Fund. It is non-contributory and has historically been funded by Salvation Army trusts (including The Salvation Army Trust and The Salvation Army Social Work Trust); however, there have been no payments made to the Fund during the current year. Officers that serve in the principal Trusts (The Salvation Army Trust and The Salvation Army Social Work Trust) may receive a retirement allowance from the Fund in the future, although, it is not possible to allocate the assets and constructive liabilities of the Fund between the Trusts. Therefore, the Fund is accounted for in a comparable way as a multi-employer pension fund.

(v) The Salvation Army Employees' Pension Fund

The Salvation Army Employees' Pension Fund is a defined benefit pension scheme which was closed to new members on 31 December 2011; accrual ceased on 30 April 2023. The Trust is the lead employer and not the only participating employer in the Fund. However, the Trust is unable to determine its share of the underlying assets and liabilities on a consistent and reasonable basis. This is because contributions paid into the Fund have not been invested separately from those paid by other employers participating in the Fund. As such, as the Lead employer, the full scheme is accounted for in the Trusts accounts. Since 1 January 2012, employees joined The Salvation Army Employees' Defined Contribution Scheme.

The defined benefit scheme assets are measured at fair value at the balance sheet date. Scheme liabilities are measured on an actuarial basis at the balance sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on AA rated corporate bond yields. When scheme assets are in excess of scheme liabilities and the assets are not recoverable, in accordance with FRS102 it is not recognised.

(vi) The claims costs of the insurance subsidiary comprise claims paid in the period and the change in provisions for outstanding claims, including provisions for claims incurred but not reported. A separate estimate is made for the amounts that will be recoverable from reinsurers based on the gross provisions, having due regard to collectability.

(h) Fixed Assets

- (i) Expenditure on the acquisition or improvement of property is reflected as a fixed asset, whereas costs of repairs and renewals to property are charged to the Statement of Financial Activities. The non-capital element of property schemes is written off in the year in which costs are incurred.
- (ii) Expenditure on the acquisition of vehicles is capitalised and expenditure on computer equipment and other office equipment which exceeds £15,000 in value (individually or for groups of related assets) is capitalised and depreciated over its economic life.
- (iii) In accordance with FRS 102 component accounting has been adopted for Freehold and Long Leasehold properties. A property comprises major components with substantially different useful lives. Depreciation is charged on major

components in order to write off the cost of the components to their residual values, over their estimated useful lives, using the straight-line method, as follows

Freehold Land	Not depreciated
Property Schemes in Progress	Not depreciated
Building — Main Fabric (structure)	50 years

Major Components

Roof structure and covering	50 years
Bathrooms and WCs	20 years
Lifts	25 years
Mechanical and Electrical Systems	25 years
Windows and External Doors	25 years
Kitchens	20 years

Short leasehold properties are depreciated over the term of the lease.

(iv) Depreciation is provided on other tangible fixed assets at the following rates:

Motor Vehicles	4 years
Office Equipment	4 years

(v) Goodwill arising on acquisition is amortised on a straight-line basis over the estimated useful life which has been estimated to be 10 years.

(vi) Other intangible assets consist of patents and trademarks and are being amortised over their estimated useful life of 5 years.

(i) Investments & Investment Properties

To comply with the Charities SORP, investments are included at fair value (their market value bid price). Realised gains on investments are calculated as the difference between sales proceeds and the market value of those investments at the beginning of the financial year.

The Salvation Army Trust holds some investment properties and are recorded at fair value with changes in the market value reported annually in the statement of financial activities. The fair value of the investment property is determined by members of staff with relevant experience and qualifications. For residential properties, the desktop valuation is based on comparable properties in the local area. The data is collected from property portal sites like Rightmove and Zoopla and supported by data of sold and completed properties from HM Land Registry. A valuation by an independent valuer was not performed.

(j) Financial instrument classification

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method.

Financial assets held at amortised cost comprise cash at bank and in hand, together with trade debtors, other debtors, and accrued income. Financial assets held at fair value include investments, including investment properties, excluding cash held as part of the investment portfolio.

Financial liabilities held at amortised cost comprise trade creditors, other creditors, and accruals.

(k) Stocks

(i) Stocks are valued at the lower of cost and net realisable value.

(ii) Stock does not include any donated goods, and no products are brought in to be sold. Stock includes books, printed materials, and other media materials together with sheet music and musical instruments.

(l) Cash and short-term deposits

Cash include cash in hand, deposits with banks and funds that are readily convertible into cash at, or close to, their carrying values, but not held for investment purposes. Short-term deposits are amounts that have a maturity at date of acquisition of up to 3 months.

(m) Funds

- (i) The Property Fund represents monies already expended on the acquisition, construction, and improvement of freehold and leasehold properties. Unrestricted designated funds which are applied for property purposes are categorised as restricted giving rise to a transfer during the year.
- (ii) The Endowment Funds are held for restricted purposes, where the income only is available to be used in accordance with the wishes of the donors.
- (iii) The Restricted Funds are held for restricted purposes, as specified by the donors.
- (iv) The Unrestricted Funds include Designated Reserves held for particular purposes designated by the trustee in the exercise of its discretionary powers and General Reserve representing the net assets not designated for specific purposes.

3. MEMBERS' DONATIONS

This represents Salvationists' personal giving to support their local corps (church) and the work of The Salvation Army.

4. GRANTS RECEIVABLE

	Endowments £000	Restricted £000	Unrestricted £000	2024 Total £000	2023 Total £000
Government Grants Covid-19	-	-	16	16	12
Other Government grants	-	1,517	8	1,525	1,507
Trusts	271	2,308	84	2,663	1,865
	271	3,825	108	4,204	3,384

Other Government grants are made up of local authority restricted grants to support corps activities of £825k (2023: £452k) other local council grants of £587k (2023: £844k) and other grants of £113k (2023: £211K)
The other local council grants have been paid to the corps during the year.

The grants have been recognised in income and have no contingencies attached to these funds. The breakdown of other local council grants is as follows:
£557k relates to local councils supporting pre-school activities; the remaining £30k is split across food bank and warm space support.

5. TRADING INCOME AND EXPENDITURE

Analysis of Trading Income and Expenditure is restated, refer to note 31 Prior year adjustment.

	2024	2023
	£000	£000
Local corps charity shops and other trading activities		
Income	13,448	12,644
Expenditure	(7,511)	(7,023)
	5,937	5,621

Funds generated by corps are retained by the corps for use in the local area and are regarded as restricted for that geographical region.

Trading Subsidiaries		
Income (Note 7)	103,811	93,659
Expenditure (Note 7)	(103,035)	(88,057)
	776	5,602

The above turnover figures are as stated in the Statutory accounts of SAGIC and SATCoL. On consolidation the turnover has been reduced by £4,515K (£103,811K compared to SOFA of £99,239K) to eliminate inter-group trading.

6. INVESTMENT INCOME

	2024	2023
	£000	£000
Dividends receivable	1,762	1,464
Interest receivable	2,999	1,105
Rental income from investment properties	7,211	5,722
Income from connected company	410	512
Investment income of subsidiary companies (Note 7)	147	71
	12,529	8,874

7. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARIES

The Salvation Army Trust has two wholly owned trading subsidiaries which are incorporated in the UK. The Salvation Army General Insurance Corporation Limited (SAGIC) transacts insurance business, mainly property insurance. The Salvation Army Trading Company Limited (SATCoL) deals with the collection and recycling of second-hand clothing donated by the general public and is engaged in publishing and the supply of Salvationist materials. Both companies make a qualifying donation of part of their profits to The Salvation Army Trust. Where profits are retained, it is for working capital needs and capital for the long-term development of the business. A summary of the trading results of the subsidiary companies for the year ended 31 March 2024 is shown below. Audited accounts of the companies have been filed with the Registrar of Companies.

	SAGIC £000	SATCoL £000	2024 Total £000	2023 Total £000
Profit and Loss Account				
Trading Income	20,897	82,914	103,811	93,659
Cost of Trading Activities:				
Cost of Sales	(21,083)	(45,821)	(66,904)	(57,929)
Distribution Costs	-	(3,299)	(3,299)	(3,403)
Operating Costs	(380)	(32,590)	(32,970)	(26,896)
Other Income/(Costs) including Taxation	239	(101)	138	171
Total cost of Trading Activities	(21,224)	(81,811)	(103,035)	(88,057)
Covid-19 Grant Income	-	16	16	12
Investment Income	147	288	435	247
Net Profit	(180)	1,407	1,227	5,861
Realised Losses on Investments	(56)	-	(56)	(30)
Unrealised Gains on Investments	101	-	101	(26)
Net Income for the year	(135)	1,407	1,272	5,805
Donation to The Salvation Army Trust	-	(1,266)	(1,266)	(4,788)
Retained in Subsidiary	(135)	141	6	1,017
	SAGIC £000	SATCoL £000	2024 Total £000	2023 Total £000
Assets, liabilities, and funds				
Assets	19,823	38,191	58,014	54,242
Liabilities	(19,823)	(18,274)	(38,097)	(34,319)
Total Funds	-	19,917	19,917	19,923

The comparative reduction of £4,200K is detailed in prior year adjustment note 31.

8. CHARITABLE ACTIVITIES

	Direct Costs £000	Grants £000	Support Costs (Note 9) £000	2024 Total £000
Church and Evangelism Programmes	51,411	-	13,005	64,416
Community Programmes	47,448	-	16,894	64,342
International Programmes	2,115	6,583	208	8,906
Training Programmes	5,767	-	1,924	7,691
Youth and Young People Programmes	461	-	2,642	3,103
Grant to Salvation Army Social Work Trust	-	29,652	-	29,652
	107,202	36,235	34,673	178,110

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The total cost is net of £4,515 reflecting inter-group trading (SATCol £900K and SAGIC £3,615K). Trading activity has correspondingly been reduced by £4,515K (see note 5).

31 March 2023 Charitable Activities

Analysis of Charitable Activities is restated, refer to note 31 Prior year adjustment.

	<i>Direct Costs</i>	<i>Grants</i>	<i>Support Costs (Note 9)</i>	<i>2023 Total</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Church and Evangelism Programmes	39,781	-	13,740	53,521
Community Programmes	53,737	-	16,444	70,181
International Programmes	2,204	4,783	199	7,186
Training Programmes	5,435	-	1,674	7,109
Youth and Young People Programmes	849	-	1,736	2,585
Grant to Salvation Army Social Work Trust	-	22,373	-	22,373
	<u>102,006</u>	<u>27,156</u>	<u>33,793</u>	<u>162,955</u>

Church and Evangelism Programmes comprise Christian worship, teaching, and promotion of the Christian message at corps, regional and national events.

Community Programmes are organised by our corps to meet the needs of their local communities. The programmes offered are available to all and include activities for children, young people, families, and older people as well as assistance for those in need.

International Programmes comprise support for the work of The Salvation Army worldwide. This includes grants paid to The Salvation Army International Trust and to overseas Salvation Army territories for projects to alleviate poverty in local communities.

Training Programmes represent the cost of William Booth College which trains people to become Salvation Army officers and provides learning and development opportunities for employees and officers.

Youth and Young People Programmes represent the cost of work within The Salvation Army for young people and adults aged 12-25 and other nationally organised programmes.

Grant to The Salvation Army Social Work Trust comprises grants payable to support the running of Salvation Army Life houses, care homes and other programmes and other costs incurred in supporting social programmes.

Support Costs represent centrally supplied services.

9. SUPPORT COSTS

	Finance	HR	IT	Property	Communication	Other	Legal & Secretarial	2024 Total	2023 Total	
	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Fundraising	89	45	141	72	90	48	19	504	451	
Church and Evangelism Programmes	2,231	1,440	3,551	1,806	2,306	1,198	473	13,005	13,740	
Community Programmes	2,903	1,844	4,621	2,350	3,001	1,558	617	16,894	16,444	
International Programmes	36	18	58	29	39	20	8	208	200	
Training Programmes	338	171	538	274	350	181	72	1,924	1,674	
Youth and Young People Programmes	465	234	740	376	481	247	98	2,642	1,735	
	6,062	3,752	9,649	4,907	6,267	3,252	1,287	35,177	34,244	
Total	2023	5,064	4,380	6,731	6,476	7,748	3,106	739	-	34,244

An analysis of governance costs included above is set out in Note 10 below.

Fundraising support costs of £504k (2023: £451k) are included within this note but not within the support costs column presented in Note 8, as these costs are not included within Charitable Activities.

10. GOVERNANCE COSTS

a) Absorbed within support costs were the following governance costs:

	2024 £000	2023 £000
External audit	155	119
Internal audit	602	489
Trustee indemnity insurance	35	32
Apportionment of directors' time	173	125
	<u>965</u>	<u>765</u>

b) Group Auditor's Remuneration

	2024 £000	2023 £000
Audit of Charity	155	95
Audit of Subsidiaries	63	35
Total Audit	<u>218</u>	<u>130</u>
Audit Related Assurance Services	21	9
Non-Audit Services *	179	8
Total Fees	<u>418</u>	<u>147</u>

* Non-Audit Services — Fees from 2023 were incurred before the firm became the auditor of the Trust. Around 33.3% of the tax service is related to SWT and would be recharged to SWT through the monthly service recharge.

11. PERSONNEL

The average number of officer and employees was:

	2024 Headcount Number	2023 Headcount Number
<i>Trust</i>		
Number of Officers	928	832
Number of Employees	<u>1,515</u>	<u>1,482</u>
	2,443	2,314
<i>Subsidiaries</i>	<u>1,155</u>	<u>1,012</u>
Total	<u>3,598</u>	<u>3,326</u>

	Trust £000	Subsidiaries £000	2024 Total £000	2023 Total £000
Personnel Costs				
Allowances and Salaries	62,618	31,684	94,302	84,466
Social Security Costs	5,638	3,682	9,320	7,532
Pension Fund Contributions (Current Service)	5,331	2,131	7,462	15,977
Retired Officers Allowance Fund Contributions (Past Service)	-	-	-	4,690
	<u>73,587</u>	<u>37,497</u>	<u>111,084</u>	<u>112,665</u>
Temporary agency staff costs	<u>2,778</u>	-	<u>2,778</u>	<u>3,169</u>

Redundancy Costs

Redundancy costs relating to employees amounted to £300,486 (2023: £263,701). These costs are the result of staff restructuring. Redundancy costs are recognised once a decision to make a post redundant has been communicated to an individual or the workforce.

There are redundancy and termination payment liabilities of £nil for 2024 (2023: £75k)

Higher Paid Employees

The number of employees whose emoluments amounted to over £60,000 in the year was as follows:

	Trust No.	Subsidiaries No.	2024 Total No.	2023 Total No.
£60,001 - £70,000	33	6	39	40
£70,001 - £80,000	15	9	24	16
£80,001 - £90,000	7	4	11	6
£90,001 - £100,000	2	4	6	6
£100,001 - £110,000	3	1	4	4
£110,001 - £120,000	5	1	6	4
£120,001 - £130,000	-	2	2	2
£130,001 - £140,000	-	2	2	1
£140,001 - £150,000	-	-	-	2
£150,001 - £160,000	-	-	-	1
£170,001 - £180,000	-	2	2	1
£220,001 - £230,000	-	1	1	-
	65	32	97	83

Key Management Personnel

The key management personnel of the Trust are those persons having authority and responsibility for planning, directing, and controlling the activities of the Trust, directly or indirectly, including the directors of The Salvation Army Trustee Company as the Corporate Trustee of the Trust. The Trustee considers the key management personnel of the Trust to be the executive directors (officers and employees) of the Board. The total aggregate emoluments, including pension contributions and national insurance contributions, paid to key management personnel during the year was £1,445,473 (£152,730 was paid by Social Work Trust and £1,292,743 was paid by Salvation Army Trust).

12. TRUSTEES

(a) Emoluments:

The directors of The Salvation Army Trustee Company comprise Salvation Army officers and other external directors with specialist expertise. All active Salvation Army officers receive an allowance based on length of service and, as ministers of religion, are provided with furnished accommodation and a motor vehicle. The allowances received by the officers serving as directors ranged from £19,377.96 to £25,471.57 per annum and they did not receive any additional remuneration for their duties as directors.

Salvation Army officers who are members of SATCO have 8 family members who are officers and are paid an allowance in accordance with The Salvation Army Act. The allowances received by these family members ranged from £4,538.84 - £18,531.47 per annum in 2023/24 (2023: £13,221.89 - £18,112.94)

The following members of SATCO and TOB have family members who are employed by The Salvation Army Trust in support roles, and their total remuneration is £177,693.04 (2023: £163,235.82). The amounts paid are in accordance with the normal scale rates for the roles they perform.

Trustee	Close Family Position
Commissioner Anthony Cotterill	Pioneer Development Worker
Commissioner Paul Main	Financial Accountant
Lieut-Colonel Paul Kingscott	Secretarial Team Leader

Lieut-Colonel Paul Kingscott	Divisional Children's Officer • East of England Division
Lieut-Colonel David Shakespeare	Tutor in Retirement
Major Jane Cowell	Support worker
Major Judith Hilditch	Higher Education Degree Course Leader
Major Mike Lloyd-Jones	Divisional Leader
Major Mike Lloyd-Jones	Resource Coordinator
Mitch Menagh	Business and Facilities Manager

(b) Expenses

No (2023: none) directors of The Salvation Army Trustee Company were reimbursed for travelling, accommodation or subsistence expenses, amounting to £0 (2023: £0).

13. PENSION AND SIMILAR COSTS

The Salvation Army Trust may make contributions to three pension or similar schemes in respect of its officers or staff:

- (i) The Salvation Army Officers Pension Fund relating to Salvation Army officers;
- (ii) The Salvation Army Employees' Pension Fund for other staff, a defined benefit scheme which closed to new members with effect from 31 December 2011 and ceased accruing benefits for existing members on 30 April 2023.
- (iii) A defined contribution scheme set up to offer employees who are not members of the Salvation Army Employees' Pension Fund the opportunity to join a pension scheme following the closure of the Employee Pension Scheme to new members with effect from 31 December 2011.

Amounts charged in respect of pension fund contributions for the year are disclosed in Note 12 above.

(a) SALVATION ARMY OFFICERS PENSION FUND

The Salvation Army Officers Pension Fund ("the Fund") was established by The Salvation Army Act 1963 under the legal name, The Salvation Army Officers Pension Fund. It is a registered charity and retirement benefits are not guaranteed and are paid at the discretion of the Board of the Fund. It is non-contributory and is funded by Salvation Army trusts (including The Salvation Army Trust and The Salvation Army Social Work Trust); however, there have been no payments made to the Fund during the current year. Officers that serve in the principal Trusts (The Salvation Army Trust and The Salvation Army Social Work Trust) may receive a retirement allowance from the Fund in the future, although, it is not possible to allocate the assets and constructive liabilities of the Fund between the Trusts. Therefore, as both Salvation Army Trust and Social Work Trust may contribute to the Fund, it is, for accounting purposes, disclosed and accounted for in a similar way to a multi-employer pension fund.

The Salvation Army Officers Pension Fund was subject to a triennial actuarial review on 31 March 2022. This actuarial valuation indicated that the Fund was in surplus on the funding basis. As such, no additional contributions are currently required to fund a deficit in the Fund. Following this valuation, it was also agreed that regular contributions into the Fund would cease until the next valuation as at 31 March 2025.

The calculations for the FRS102 disclosures have been carried out by running full actuarial calculations as at 31 March 2024 and the disclosures are shown below.

The Fund is ordinarily funded by means of regular contributions to cover current retirement benefit accrual, with the rate of contributions determined at each triennial valuation. The funding method currently employed is the Attained Age Method which measures the increase in the funding target relating to future benefits expected to accrue to active Officers over the period to retirement or earlier leaving service. Additional contributions are made to cover any shortfalls that arise following each valuation. The Board of the Fund determine the level of contributions payable to it following agreement with the principal trusts of the Army and the advice of the fund actuary

There have been no amendments to the Fund during the year, and no special events have occurred.

Obligations for the Salvation Army in respect of the Salvation Army Officers Pension Fund

	31/03/2024 (£)	31/03/2023(£)
Fair Value of Fund Assets	258,768,460	268,528,652
Present value of funded obligations	(174,685,265)	(175,282,771)
Net overfunding in Fund	84,083,195	93,245,881
Unrecognised assets	-	-
Net Defined Benefit Asset	84,083,195	93,245,881

The amounts recognised in the Expenditure section of the Statement of Financial Activities are as follows:

	31/03/2024 (£)	31/03/2023(£)
Service cost	3,705,289	6,878,234
Net Interest on Net Defined Benefit liability	(4,382,556)	(625,095)
Expense recognised in expenditure section of statement of financial activities	(677,267)	6,253,139

The Net Interest on Net Defined Benefit Liability item is broken down as follows:

	31/03/2024 (£)	31/03/2023(£)
Interest on obligation	8,029,346	6,839,381
Interest on assets	(12,411,902)	(7,464,476)
Net Interest on Net Defined Benefit Liability	(4,382,556)	(625,095)
	31/03/2024 (£)	31/03/2023(£)
Return on assets (not included in interest)	(13,011,008)	(13,024,722)
Actuarial Gains on obligation	3,440,884	87,126,788
Total Amount recognized in Actuarial Gains/(Losses)	(9,570,124)	74,102,066
Cumulative amount of Actuarial Gains recognised	64,531,942	74,102,066
Actual return on Fund assets	(599,106)	(5,560,426)
	31/03/2024 (£)	31/03/2023(£)
Administration expenses paid from Fund	269,829	329,842
Other Items	269,829	329,842

No contributions to the Fund were paid by the Army over the year from 1 April 2023 to 31 March 2024.

No contributions to the Fund are expected from the Army over the next year from 1 April 2024 to 31 March 2025.

Changes in the present value of the Fund's Defined Benefit liability are as follows:

	31/03/2024 (£)	31/03/2023(£)
Opening Defined Benefit Liability	175,282,771	257,928,853
Service cost	3,705,289	6,878,234
Benefits paid	(8,891,257)	(9,236,909)
Interest on obligation	8,029,346	6,839,381
Experience losses / (gains)	1,322,368	(6,026,198)
Losses from changes in assumptions	(4,763,252)	(81,100,590)
Closing Defined Benefit Liability	174,685,265	175,282,771

The weighted average duration of the liabilities of the Fund was 12 years as at 31 March 2024.

Changes in the fair value of Fund assets are as follows:

	31/03/2024 (£)	31/03/2023(£)
Opening fair value of Fund assets	268,528,652	278,505,420
Interest on assets	12,411,902	7,464,476
Return on assets (not included in interest)	(13,011,008)	(13,024,722)
Contributions by employer	0	5,150,229
Benefits paid	(8,891,257)	(9,236,909)
Administration expenses	(269,829)	(329,842)
	<u>258,768,460</u>	<u>268,528,652</u>

The major categories of Fund assets as a percentage of the total are as follows:

	31/03/2024 (%)	31/03/2023(%)
Equities	30.5	0.1
Index Linked Bonds	68.0	93.2
Property	0.0	5.9
Cash	1.5	0.8

All of the Fund's assets have a quoted market price in an active market. The Fund does not hold any property or other assets used by the Army

Principal actuarial assumptions used for the FRS 102 disclosures:

	31/03/2024 (%)	31/03/2023(%)
Discount rate at end of year	4.9	4.7
Discount rate at start of year	4.7	2.7
Inflation	3.5	3.5
Rate of increase in allowances	4.0	4.0

Mortality Assumptions

The mortality assumptions are based on standard mortality tables which allow for future mortality improvements.

The assumptions are that an officer aged 65 will live on average until age 88 if they are male and until age 89 if female.

For an officer currently aged 55 the assumptions are that if they attain age 65, they will live on average until age 88 if they are male and until age 90 if female.

(b) SALVATION ARMY EMPLOYEES PENSION FUND

The Trust is a participating employer of the Salvation Army Employees' Pension Fund ("the Fund"), a defined benefit scheme.

A valuation of the Fund for the purposes of these disclosures was carried out at 31 March 2024 by an independent actuary. The major assumptions used by the actuary, together with those used in the previous year, were: -

Employee benefit obligations for the Salvation Army in respect of the Salvation Army Employees' Pension Fund

	31/03/2024 (£)	31/03/2023(£)
Fair Value of Fund Assets	199,546,616	213,862,544
Present value of funded obligations	(148,776,538)	(147,530,409)
Net overfunding in Fund	50,770,078	66,332,135
Unrecognised assets	(50,770,078)	(66,332,135)
Net Defined Benefit Asset	-	-

The amounts recognised in the Expenditure section of the Statement of Financial Activities are as follows:

	31/03/2024 (£)	31/03/2023(£)
Service cost	88,945	2,526,218
Net Interest on Net Defined Benefit liability	(8,886)	(63,704)
Expense recognised in expenditure section of statement of financial activities	80,059	2,462,514

The Net Interest on Net Defined Benefit Liability item is broken down as follows:

	31/03/2024 (£)	31/03/2023(£)
Interest on obligation	6,788,557	5,310,757
Interest on assets	(9,915,053)	(5,993,565)
Interest on unrecognised assets	3,117,610	619,104
Net Interest on Net Defined Benefit Liability	<u>(8,886)</u>	<u>(63,704)</u>

The amounts recognised as Actuarial Gains/(Losses) of the pension fund are as follows:

	31/03/2024 (£)	31/03/2023(£)
Return on assets (not included in interest)	(17,742,684)	(13,118,523)
Actuarial Gains on obligation	(464,307)	55,399,289
Change in unrecognised assets (other than interest)	18,679,667	(42,783,237)
Total Amount recognized in Actuarial Gains/(Losses)	472,676	-502,471
Cumulative amount of Actuarial Gains recognised	(29,795)	(502,471)
Actual return on Fund assets	(7,827,631)	(7,124,958)

	31/03/2024 (£)	31/03/2023(£)
Administration expenses paid from Fund	680,350	657,799
Other Items	<u>680,350</u>	<u>657,799</u>

The Army and the participating employers contributed £287,733 to the Fund over the year from 1 April 2023 to 31 March 2024. Members of the Fund contributed £90,369 to the Fund over the same period.

No contributions to the Fund are expected from the Army, the other participating employers or from members over the next year from 1 April 2024 to 31 March 2025.

Changes in the present value of the Fund's Defined Benefit Obligation are as follows:

	31/03/2024 (£)	31/03/2023(£)
Opening Defined Benefit Obligation	147,530,409	199,392,654
Service cost	88,945	2,526,218
Contributions by members	(90,369)	(1,095,948)
Benefits paid	(6,186,049)	(5,395,879)
Interest on obligation	6,788,557	5,310,757
Experience losses	7,761,127	276,633
(Gains) from changes in assumptions	(7,296,820)	(55,675,922)
Closing Defined Benefit Obligation	148,776,538	147,530,409

The weighted average duration of the liabilities of the Fund was 14 years as at 31 March 2024.

Changes in the fair value of Fund assets are as follows:

	31/03/2024 (£)	31/03/2023(£)
Opening fair value of Fund assets	213,862,544	222,322,448
Interest on assets	9,915,053	5,993,565
Return on assets (not included in interest)	(17,742,684)	(13,118,523)
Contributions by employer	287,733	3,622,784
Contributions by members	90,369	1,095,948
Benefits paid	(6,186,049)	(5,395,879)
Administration expenses	(680,350)	(657,799)
Closing fair value of Fund assets	<u>199,546,616</u>	<u>213,862,544</u>

The major categories of Fund assets as a percentage of the total are as follows:

	31/03/2024 (%)	31/03/2023(%)
Equities Gilts	46.8	47.8
Index Linked Bonds	43.6	45.1
Cash	2.2	0.8
AVC's	7.4	6.3

All of the Fund's assets have a quoted market price in an active market. The Fund holds no financial instruments issued by the Employers, nor holds any property or other assets used by the Army.

Principal actuarial assumptions used for the FRS 102 disclosures:

	31/03/2024 (%)	31/03/2023(%)
Discount rate at end of year	4.9	4.7
Discount rate at start of year	4.7	2.7
Inflation	3.5	3.5
Rate of increase in pensionable salaries	3.9	4.0
Rate of increase in deferred pensions - pre-2009	3.2	3.2
Rate of increase in deferred pensions - post 2009	2.5	2.5
Rate of increase in pensions in payment - LPI 5%	3.30	3.40
Rate of increase in pensions in payment - LPI 2.5%	2.30	2.30

Mortality Assumptions

The mortality assumptions are based on standard mortality tables which allow for future mortality improvements.

The assumptions are that a member aged 65 will live on average until age 86 if they are male and until age 89 if female.

For a member currently aged 50 the assumptions are that if they attain age 65, they will live on average until age 87 if they are male and until age 90 if female.

14. INTANGIBLE FIXED ASSETS

Goodwill	Goodwill £000	Other £000	Total £000
Cost			
Balance at 1 April 2023	11,275	625	11,900
Additions	-	144	144
Disposals	(10,840)	-	(10,840)
Balance at 31 March 2024	435	769	1,204
Accumulated Depreciation			
Balance at 1 April 2023	11,275	473	11,748
Charge for the year	-	148	148
Eliminated on disposal	(10,840)	-	(10,840)
Balance at 31 March 2024	435	621	1,056
Net Book Value at 31 March 2024	-	148	148
Net Book Value at 31 March 2023	-	152	152

Intangible fixed assets represent the goodwill arising on acquisition, by the Trust's subsidiary company SATCoL, of the business operations and net assets of Kettering Textiles Limited. The goodwill is being amortised over 10 years.

Other intangible assets in the Trust's subsidiary SATCoL are represented by:

	2024 £000	2023 £000
Patents and Licences	625	625
Development Costs	144	-
	<u>769</u>	<u>625</u>

15. PROPERTIES

(a) Consolidated

	Freehold £000	Long Leasehold £000	Short Leasehold £000	Total £000	Property Schemes In Progress £000
Cost					
Balance at 1 April 2023	420,783	40,453	229	461,465	66,067
Additions during the year	21,992	2,949	-	24,941	22,766
Transfers to investment properties	(710)	(323)	-	(1,033)	-
Schemes completed during the year	65,884	-	-	65,884	(65,884)
	<u>507,949</u>	<u>43,079</u>	<u>229</u>	<u>551,257</u>	<u>22,949</u>
Less: Disposals	(9,511)	(1,345)	-	(10,856)	(12,494)
Balance at 31 March 2024	<u>498,438</u>	<u>41,734</u>	<u>229</u>	<u>540,401</u>	<u>10,455</u>

Accumulated Depreciation					
Balance at 1 April 2023	143,158	12,101	227	155,486	-
Charge for the year	7,410	1,155	-	8,565	-
Less: Disposals	(2,672)	(516)	-	(3,188)	-
Transfers to investment properties	(255)	(107)	-	(362)	-
Balance at 31 March 2023	147,641	12,633	227	160,501	-
Net Book Value at 31 March 2024	350,797	29,101	2	379,900	10,455
Net Book Value at 31 March 2023	277,625	28,352	2	305,979	66,067

(b) Trust

	Freehold	Long Leasehold	Short Leasehold	Total	Property Schemes In Progress
	£000	£000	£000	£000	£000
Cost					
Balance at 1 April 2023	418,926	35,767	229	454,922	66,067
Additions during the year	18,838	2,949	-	21,787	22,766
Transfers to investment properties	(710)	(323)	-	(1,033)	-
Schemes completed during the year	65,884	-	-	65,884	(65,884)
	502,938	38,393	229	541,560	22,949
Less: Disposals	(9,511)	(1,229)	-	(10,740)	(12,494)
Balance at 31 March 2024	493,427	37,164	229	530,820	10,455
Accumulated Depreciation					
Balance at 1 April 2023	142,844	11,346	227	154,417	-
Charge for the year	7,279	850	-	8,129	-
Less: Disposals	(2,672)	(493)	-	(3,165)	-
Transfers to investment properties	(255)	(107)	-	(362)	-
Balance at 31 March 2024	147,196	11,596	227	159,019	-
Net Book Value at 31 March 2024	346,231	25,568	2	371,801	10,455
Net Book Value at 31 March 2023	276,082	24,421	2	300,505	66,067

Trust properties comprise primarily corps halls, divisional and Territorial Headquarters buildings and residential properties for active and retired officers.

Analysis of Tangible Fixed Asset Properties is restated, refer to note 31 Prior year adjustment.

Property Schemes are projects consisting of major repairs, refurbishment work, extensions which have been approved by Board together with an agreed funding package. They are predominantly of a capital nature and typically take over a year to complete. The schemes in progress consist of schemes that the relevant property project manager has confirmed as being incomplete at the financial yearend.

16. MOTOR VEHICLES AND EQUIPMENT

(a) Consolidated

	Motor Vehicles £000	Office Equipment £000	Total £000
Cost			
Balance at 1 April 2023	2,776	37,473	40,249
Additions	3,291	11,316	14,607
Disposals	-	(2)	(2)
Balance at 31 March 2024	6,067	48,787	54,854
Accumulated Depreciation			
Balance at 1 April 2023	509	23,099	23,608
Charge for the year	908	3,852	4,760
Disposals	-	(2)	(2)
Balance at 31 March 2024	1,417	26,949	28,366
Net Book Value at 31 March 2024	4,650	21,838	26,488
Net Book Value at 31 March 2023	2,267	14,375	16,642

(b) Trust

	Motor Vehicles £000	Office Equipment £000	Total £000
Cost			
Balance at 1 April 2023	942	6,762	7,704
Additions	59	5,478	5,537
Disposals	-	-	-
Balance at 31 March 2024	1,001	12,240	13,241
Accumulated Depreciation			
Balance at 1 April 2023	403	3,150	3,553
Charge for the year	156	1,271	1,427
Disposals	-	-	-
Balance at 31 March 2024	559	4,421	4,980
Net Book Value at 31 March 2024	442	7,819	8,261
Net Book Value at 31 March 2023	539	3,612	4,151

17. FIXED ASSET INVESTMENTS

(a) Consolidated

	Investment Properties	Salvation Army Common Investment Funds		Unlisted Investments	Subsidiaries Listed Investments	Total
		Fund 1	Fund 2			
	£000	£000	£000	£000	£000	£000
Market Value as at 1 April 2023 (Restated)	69,705	5,794	216,430	9,467	1,683	303,079
Acquisitions	2,794	-	-	271	428	3,493
Gain/(Loss)	(589)	919	27,684	860	101	28,975
Disposals	(860)	-	-	-	(667)	(1,527)
Market Value at 31 March 2024	71,050	6,713	244,114	10,598	1,545	334,020
Historical Cost at 31 March 2024	18,953	2,963	126,700	10,237	3,263	162,116

(b) Trust	Investment Properties	Salvation Army Common Investment Funds		Unlisted Investments	Subsidiaries Listed Investments	Total
		Fund 1	Fund 2			
	£000	£000	£000	£000	£000	£000
Market Value as at 1 April 2023 (Restated)	69,705	5,794	216,430	9,467	4,967	306,363
Acquisitions	2,794	-	-	271	-	3,065
Gain/(Loss)	(589)	919	27,684	860	-	28,874
Disposals	(860)	-	-	-	-	(860)
Market Value at 31 March 2024	71,050	6,713	244,114	10,598	4,967	337,442
Historical Cost at 31 March 2024	18,953	2,963	126,700	10,237	4,967	163,820

The Group's property portfolio is reviewed annually to identify investment properties, which are those properties held to earn income or for capital appreciation rather than to be used for its charitable purposes. Properties no longer used for charitable purposes but retained until market conditions allow their disposal are not treated as investment properties, provided disposal is intended within a three-year window.

After initial recognition, investment property is measured at its fair value. The fair value of the investment property is determined by members of staff with relevant experience and qualifications. For residential properties, the desktop valuation is based on comparable properties in the local area. The data is collected from property portal sites like Rightmove and Zoopla and supported by data of sold and completed properties from HM Land Registry. A valuation by an independent valuer was not performed.

Unlisted Investments represent a 20% holding in William Leech (Investments) Limited. It is not considered to be an associated company and is valued in both the Trust and Consolidated Balance Sheets at share of underlying net assets which equates to its fair value.

	2024 £000	2023 £000
William Leech (Investments) Limited	10,596	9,465
Other	2	2
	10,598	9,467

Subsidiaries are accounted for at cost in the Trust Balance Sheet. The Consolidated Balance Sheet includes the subsidiaries' own listed investments.

Common Investment Funds

The Salvation Army Common Investment Funds hold a wide range of investments. The principal categories of investment and the relevant percentages held at the year-end were as follows:

	Fund 1	Fund 2
Cash	3%	2%
UK Equities	15%	13%
UK Property Funds	0%	0%
Overseas Investments	82%	85%

Prior year Investment Properties are restated, refer to note 31 Prior year adjustment.

18. DEBTORS

	Consolidated		Trust	
	2024 £000	2023 £000	2024 £000	2023 £000
Amounts due within one year				
Connected Salvation Army Trusts and Companies	799	3,096	663	3,096
Amounts owed by group undertakings	-	-	8,301	6,018
Taxation recoverable	1,223	1,024	202	603
Trade Debtors	1,879	846	832	359
Prepayments and accrued income	80,633	58,313	76,077	54,007
Other Debtors	11,940	10,170	2,555	1,190
	96,474	73,449	88,630	65,273
Amounts due over one year				
Sale of Reliance Bank valued at NPV	2,578	2,892	2,578	2,892
	99,052	76,341	91,208	68,165

Included in accrued income above is an amount of £2,578k (2023: £2,892k) which is the deferred consideration due in connection with the sale of shares in Reliance Bank in 2018/19 and which is receivable after more than one year. As the proceeds will be received over an extended period of time, the deferred consideration has been discounted to the net present value, and the reduction in the debtor of £66k (2023: £48K) is the financing cost recognised in the SOFA for the current year.

Analysis of prior year Debtors is restated, refer to note 31 Prior year adjustment.

19. CREDITORS: amounts falling due within one year

Amounts due within one year	Consolidated		Trust	
	2024 £000	2023 £000	2024 £000	2023 £000
Bank Loans	23	28	23	28
Amounts owed to Connected Salvation Army Trusts	57,740	14,194	57,740	14,194
Amounts owed to group undertakings	-	-	-	-
Companies				
Accruals and deferred income	17,615	18,987	6,461	9,506
Trade Creditors	8,674	5,088	5,392	2,963
Other Creditors	653	1,850	284	1,067
	84,705	40,147	69,900	27,758

Included in amounts owed to connected Salvation Army Trusts is £35m bank deposit held on behalf of Social Work Trust.

20. CREDITORS: amounts falling due after one year

	Consolidated		Trust	
	2024 £000	2023 £000	2024 £000	2023 £000
Bank Loans (secured)	309	389	309	389

There are 6 loans in total placed with Reliance Bank, the length of loans range from 15 years to 25 years, the secured loans to the trust incur interest at 1.5% above the Reliance Bank base rate.

Bank Loans

	Consolidated		Trust	
	2024 £000	2023 £000	2024 £000	2023 £000
<i>Repayable by instalments</i>				
Within one year	23	28	23	28
More than one year, less than five years	93	107	93	107
More than five years	217	282	217	282
	333	417	333	417

Claims Provision

	Consolidated		Trust	
	2024 £000	2023 £000	2024 £000	2023 £000
Balance brought forward	7,115	9,332	-	-
Provision utilised	(5,910)	(8,981)	-	-
Provision released	742	(197)	-	-
Additional provision	4,665	6,961	-	-
	6,612	7,115	-	-

The above provisions wholly relate to activity from SAGIC, a wholly owned subsidiary of The Salvation Army Trust whose principal activity is transacting property insurance in the United Kingdom. SAGIC also provides home and contents insurance to officers, members and supporters of The Salvation Army as well as to the general public. As part of its insuring activity insurance claims are received and accounted for along claims handling expenses and settled throughout the year.

	Consolidated 2024 £'000	Parent 2024 £'000
Balance at 1 April 2023	4,754	37
Additions during the year	557	-
	5,311	37
Released during the year	(49)	(37)
Balance at 31 March 2024	5,262	-

£5.26m deferred income relates to SAGIC provision for unearned premiums.

21. ENDOWMENTS (Consolidated and Trust)

	Balance 1 April 2023 £000	Income £000	Expenditure £000	Transfers £000	Gains / (losses) £000	Balance 31 March 2024 £000
Permanent Endowments						
E.S. Brant	2,183	-	-	-	443	2,626
Sir James Reckitt Trust	841	-	-	-	104	945
W.J. Davis Trust	1,265	-	-	-	235	1,500
Other	1,464	-	-	-	137	1,601
	5,753	-	-	-	919	6,672
Expendable Endowments						
William Leech Fund	9,485	271	-	-	860	10,616
Total	15,238	271	-	-	1,779	17,288

The E.S. Brant Fund was formerly a separate Salvation Army Trust. Its purpose is evangelical work.

The Sir James Reckitt Trust was set up in 1916 for the benefit of the work of The Salvation Army in Hull. By administrative decision, the income is allocated as to 7/8ths for corps purposes and 1/8th for Men's Social Work.

The W.J. Davis Trust was set up in 1991 to support the work of the Midnight Patrol and the annual income is transferred to the Social Trust to fund this work.

The William Leech Fund was initially set up in 1955 with annual donations thereafter. It is represented by a 20% holding of shares in William Leech (Investments) Limited, with the other shares held equally by four other Christian charities.

Comparative	Balance 1 April 2022 £000	Income £000	Expenditure £000	Transfers £000	Gains / (losses) £000	Balance 31 March 2023 £000
Permanent Endowments						
E.S. Brant	2,105	-	-	-	78	2,183
Sir James Reckitt Trust	822	-	-	-	19	841
W.J. Davis Trust	1,224	-	-	-	41	1,265
Other	1,440	-	-	-	24	1,464
	5,591	-	-	-	162	5,753
Expendable Endowments						
William Leech Fund	10,754	251	-	-	(1,520)	9,485
Total	16,345	251	-	-	(1,358)	15,238

22. RESTRICTED PROPERTY FUND (Consolidated and Trust)

Funding of properties for charitable purposes

	Balance 1 April 2023	Income	Expenditure	Transfers	Gains / (Losses)	Balance 31 March 2024
	£000	£000	£000	£000	£000	£000
Consolidated and Trust	343,786	12,696	(25,411)	21,141	-	352,212

Comparative

	Balance 1 April 2022	Income	Expenditure	Transfers	Gains / (Losses)	Balance 31 March 2023
	£000	£000	£000	£000	£000	£000
Consolidated and Trust	334,450	3,860	(25,641)	31,117	-	343,786

Analysis of Restricted Property Fund restated, refer to note 31 Prior year adjustment.

23. OTHER RESTRICTED FUNDS (Consolidated and Trust)

	Balance 1 April 2023	Income	Expenditure	Transfers	Gains / (Losses)	Balance 31 March 2024
	£000	£000	£000	£000	£000	£000
Corps funds	53,660	44,831	(40,241)	(2,882)	-	55,368
Legacy reserves	84,466	5,920	(728)	-	-	89,658
Trust funds	2,335	27	(355)	-	471	2,478
Specific donations	14,086	2,929	(5,697)	1,831	-	13,149
Consolidated and Trust	154,547	53,707	(47,021)	(1,051)	471	160,653

Comparative

	Balance 1 April 2022	Income	Expenditure	Transfers	Gains / (Losses)	Balance 31 March 2023
	£000	£000	£000	£000	£000	£000
Corps funds	52,206	44,150	(43,819)	1,123	-	53,660
Legacy reserves	80,076	11,742	(5,200)	(2,152)	-	84,466
Trust funds	2,430	64	(191)	36	(4)	2,335
Specific donations	15,358	3,436	(4,394)	(314)	-	14,086
Consolidated and Trust	150,070	59,392	(53,604)	(1,307)	(4)	154,547

Prior Legacy reserves are restated, refer to note 31 Prior year adjustment.

24. UNRESTRICTED FUNDS (Consolidated and Trust)

		2024 £000	2023 £000
Designated Funds (i)		268,414	236,728
General Reserve (ii)		102,218	103,076
Consolidated		370,632	339,804

	Balance 1 April 2023 Restated £000	Income £000	Expenditure £000	Transfers £000	Gains / (Losses) £000	Balance 31 March 2024 £000
Property Purposes	58,342	1,517	(1,414)	2,977	-	61,422
Investment Property Unrealised Gains	70,297	-	-	-	(589)	69,708
Other Investments Unrealised Gains	81,322	-	-	(1)	27,213	108,534
Pension Reserve	-	-	-	-	-	-
Divisional Headquarters Reserves	5,879	228	(225)	206	-	6,088
Other	20,888	102	(2,048)	3,720	-	22,662
Designated Funds (i)	236,728	1,847	(3,687)	6,902	26,624	268,414
General Reserve (ii)	103,076	258,797	(232,764)	(26,992)	101	102,218
Consolidated	339,804	260,644	(236,451)	(20,090)	26,725	370,632

£21m transfers from unrestricted to restricted relates to property projects. Whilst some projects are funded by restricted sources such as legacies, most come from the designated property reserves. With several hundred projects ongoing, the 21m represents a net inflow of funding into projects compared to an outflow (sales projects) during the year.

(i) Designated Funds

The Unrestricted Funds of The Salvation Army include the following designated reserves which have been set aside by the directors for specific purposes. Designated funds are kept under review by SATCO to ensure their purpose remains in the medium term.

- Property purposes: the reserve includes Property Sold Reserve where money is set aside to spend on future property projects determined by the directors, and the Major Component Replacements Reserve which holds funds required for upcoming major spends.
- Investment property unrealised gains: the reserve holds the value of unrealised gains / losses on investment property
- Other investments unrealised gains: the reserve holds the value of unrealised gains / losses on other investments separate unrecognised gains still subject to market risk.
- Divisional headquarters reserves: the reserves hold funds required for programmes and initiatives directed by the board for specific divisional headquarters use.
- Other: the reserves hold funds other than the above-mentioned purposes. These include £7.5m in respect of the Officers Pension Fund (2023:£2m), £7.3m provision against the, now closed, employees Defined Benefit scheme(2023:£7.3m, Corps Initiatives and training £5.2m (2023:£6.6m) and a Legal liability reserve £1.5m(2023:£1.5m).

(ii) **General Reserve**

This is required to fund the day-to-day needs of The Salvation Army.

Comparative

	2023	2022
	£000	£000
Designated Funds (i)	236,728	248,796
General Reserve (ii)	103,076	90,643
Consolidated	339,804	339,439

	Balance 1 April 2022	Income	Expenditure	Transfers	Gains / (Losses)	Balance 31 March 2023
	£000	£000	£000	£000	£000	£000
Property Purposes	69,345	-	(711)	(10,292)	-	58,342
Investment Property	69,089	-	-	539	669	70,297
Unrealised Gains						
Other Investments	82,955	-	-	-	(1,633)	81,322
Unrealised Gains						
Pension Reserve	4,647	-	(4,647)	-	-	-
Divisional Headquarters	6,564	443	(649)	(479)	-	5,879
Reserves						
Other	16,196		(1,391)	6,083	-	20,888
Designated Funds (i)	248,796	443	(7,398)	(4,149)	(964)	236,728
General Reserve (ii)	90,643	223,753	(187,021)	(25,661)	1,362	103,076
Consolidated	339,439	224,196	(194,419)	(29,810)	398	339,804

Prior year General and Designated Funds are restated, refer to note 31 Prior year adjustment.

25. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

Fund Balances at 31 March 2024 are represented by:

	Endowment Funds £000	Restricted Funds Property £000	Other £000	Unrestricted Funds £000	Total Funds £000
Intangible assets	-	-	-	148	148
Fixed assets	-	352,212	-	64,631	416,843
Investments	17,288	-	102,346	214,386	334,020
Current assets	-	-	58,307	183,093	241,400
Current liabilities	-	-	-	(84,705)	(84,705)
Long-term liabilities	-	-	-	(6,921)	(6,921)
Total Net Assets	17,288	352,212	160,653	370,632	900,785

Fund Balances at 31 March 2023 are represented by:

	Endowment Funds	Restricted Funds Property	Other	Unrestricted Funds	Total Funds
	£000	£000	£000	£000	£000
Intangible assets	-	-	-	152	152
Fixed assets	-	343,786	-	31,899	375,685
Investments	15,238	-	99,628	188,213	303,079
Current assets	-	-	54,919	167,191	222,110
Current liabilities	-	-	-	(40,147)	(40,147)
Long-term liabilities	-	-	-	(7,504)	(7,504)
Total Net Assets	15,238	343,786	154,547	339,804	853,375

26. CAPITAL COMMITMENTS

The directors are continuing the process of refurbishing and developing Salvation Army properties. At the Balance Sheet date capital commitments both contracted for, and board approved not yet contracted for entered by The Salvation Army Trust in respect of property capital schemes amounted to £7.3m (2023: £38.6m).

27. OPERATING LEASE COMMITMENTS

As at 31 March 2024 the total commitments under non-cancellable operating leases on vehicles, equipment, land, and buildings, are as follows:

	2024		2023	
	Land and Buildings £000	Vehicles and Equipment £000	Land and Buildings £000	Vehicles and Equipment £000
Expiring within 1 year	6,776	274	6,722	335
Expiring between 2 and 5 years	12,455	4,794	13,136	2,901
Expiring in over 5 years	5,401	-	5,457	-
	24,632	5,068	25,315	3,236

Lease payments of £9,917k (2023: £9,816k) were charged to the Consolidated Statement of Financial Activities during the year.

28. OPERATING LEASE- CONTRACTED INCOME

As at 31 March 2024 the total contracted income under non-cancellable operating leases are as follows:

	2024	2023
	£000	£000
Expiring within 1 year	496	553
Expiring between 2 and 5 years	394	850
Expiring in over 5 years	13	53
	903	1,456

29. RELATED PARTY TRANSACTIONS

The Salvation Army Social Work Trust (registration number 215174) is a linked charity of the Salvation Army Trust, both trusts together representing the work of The Salvation Army across the UK.

The Salvation Army Trust supports the work of other connected Salvation Army trusts through the payment of grants and these are set out in Note 7. Grants of £2.4 million were paid to The Salvation Army International Trust and

overseas Salvation Army territories (2023: £0.8 million) and a grant of £29.7 million was paid to The Salvation Army Social Work Trust (2023: £22.4 million). There was no balance of grants payable/receivable between the Trusts at the year-end (2023: £0)

An overhead recharge of £10.8m (2023: £10.2m) was charged to The Salvation Army Social Work Trust during the year, representing that Trust's share of central overhead costs, specific to The Salvation Army Social Work Trust which were incurred by The Salvation Army Trust. The full amount of the overhead recharge of, £10.8m was outstanding at year end. In addition, recharges of £105k (2023: £85k) were charged to The Salvation Army Social Work Trust for hire of rooms at corps premises. Included in amounts owed to connected Salvation Army Trusts in Note 19 is £35m bank deposit held on behalf of Social Work Trust.

The Salvation Army General Insurance Corporation Ltd (registered no 101071) provided insurance to the value of £3.6m (2023: £3.4m)

The Salvation Army Trading Company Ltd (registered no 02605817) exists as the trading arm of the Salvation Army Trust. It is 100% owned subsidiary. Its primary purpose is to undertake retail sales of second-hand goods i.e., the reuse and recycling of donated clothing and other household items through 240 charity shops and donation centres nationwide. It also supports the SP&S Division which accommodates two areas in turn - SP&S Services and SP&S Music. These work-streams focus on supplying The Salvation Army in the UK and internationally, as well as market-leading publications, recordings, and streaming services. During the year, The Salvation Army Trust received £1.3m in Gift Aid (2023: £4.8m), other receipts included £390k relating to donations and other income. The Salvation Army Trusts made £1.4m (2023: £1.1m) relating to a suite of payments including a management charge. SAT purchased literature (periodicals) £702k (2023: £597k) and Uniforms £126k (2023: £128k) of which £345k was outstanding at year end. Included in amounts owed by group undertakings in Note 18 is £8.3m due from SATCoL at year end.

The Salvation Army International Trust (registration number 1000566) exists to further the work of The Salvation Army and of its International Headquarters (IHQ). The operation of IHQ is therefore an integral part of the work of the Trust. IHQ is responsible for coordinating the international work and overseeing strategy. The Salvation Army is, for administrative purposes, divided into autonomous territories (generally by region or country). Each territory is governed, through local registration(s), in accordance with the applicable local laws, and the Trust works with and through these separate legal entities. However, The Salvation Army remains under the oversight, direction, and control of the General of The Salvation Army, as set out in greater detail in The Salvation Army Act 1980. The work of The Salvation Army in the United Kingdom and the Republic of Ireland is directed by the United Kingdom and Ireland Territory, with resources provided through trusts administered by The Salvation Army Trustee Company. The two principal trusts of this territory are The Salvation Army Trust and The Salvation Army Social Work Trust.

The Salvation Army Trust uses the banking services of Reliance Bank Limited, which is a subsidiary of The Salvation Army International Trust. At the year-end, The Salvation Army Trust held balances of £95.0 million with Reliance Bank (2023: £99.5 million). Interest was earned on deposit balances on a normal commercial basis. Included in accrued income (Note 18) is an amount of £2,578k (2023: £2,892k) which is the deferred consideration due in connection with the sale of shares in Reliance Bank in 2018/19 and which is receivable after more than one year.

Trustee Expenses - £nil for both 2023 and 2024. (see note 10)

Details of the remuneration and expenses paid to the Key Management Personnel and their close families are included in note 11.

30. RECONCILIATION OF NET MOVEMENT OF FUNDS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2024 £000	2023 £000
Net Movement in Funds	47,410	13,071
(Gains)/Losses on Investments	(28,975)	964
Depreciation: Properties	8,565	8,665
Property schemes in progress write-off	12,494	8,333
Depreciation: Motor Vehicles and Equipment	4,760	2,952
Amortisation of Goodwill	148	160
Gain on Disposal of Properties	(18,338)	(12,681)
Investment Income	(12,529)	(8,873)
Decrease in Stocks	111	196
(Increase)/Decrease in Debtors	(22,711)	8,817
Increase/(Decrease) in Creditors	44,478	1,333
Increase/(Decrease) in Provisions	419	2,217
	(12,416)	7,649
Net Cash Inflow from Operating Activities	34,994	20,720

31. PRIOR YEAR ADJUSTMENT

	01-Apr-22 £000	31-Mar-23 £000
Reconciliation of funds		
Funds as previously stated	775,676	785,804
Revaluation of Investment Properties (a)	43,561	43,075
Add back depreciation (a)	324	324
Legacies accruals (b)	20,743	27,294
Property schemes in progress (c)	-	(3,122)
	840,304	853,375
Reconciliation of 2023 SOFA		
2023 as previously stated		10,128
(Loss) on revaluation (a)		(486)
Legacy accruals (b)		6,551
Property schemes in progress (c)		(3,122)
2023 total as restated		13,071

The 2023 results have been restated as follows adjustments: -

- a) Investment property re-classification: the Salvation Army Trust accounts for investment property as set out in accounting policy 2i. A detailed review of property records found a number of additional properties that met the criteria of an investment property as set out in our accounting policy. A number of these properties met the criteria in prior years and therefore a prior period adjustment has been applied to correct the brought forward position for 2023 and 2024. The net book value of the investment properties has been transferred at the opening position in 2023 from fixed assets totalling £10.2m. In addition, these investment properties have been revalued at their fair value using relevant indices and property price data to estimate the value of these properties at the opening position for

2023, resulting in an increase of £43.6m. The final restated value of investment properties at the opening position for 2023 is now £68.6m, an increase of £53.7m from the opening balance position previously reported. These changes are reflected in notes 8, 15, 17 and 22.

- b) The Salvation Army Trust accounts for legacies as set out in accounting policy 2f. A review of the underlying data contained in the CRM system that informs the legacy income recognised in the accounts contained incomplete data. In addition, some legacies had been excluded from recognition due to an incorrect application of the accounting policy. After both issues were corrected, a re-assessment of the income entitlement of each legacy on a case-by-case basis was performed noting a number of legacies had met the criteria for recognition in earlier financial years. Therefore, a prior period adjustment has been applied to correct the brought forward positions for 2023 and 2024 Legacy income. Legacies that should have been recognised prior to 2023 totalled £20,743k, and have been added to the 2023 brought forward position. Additional legacies of £6,551K have been recognised in 2023, increasing income to £69,375K from £69,304. The resulting increase in Legacy reserves and balance sheet of £6,551K and £20,743k is captured in notes 18, 23 and 24.
- c) Following a review of costs included within Property Schemes In Progress, £3,122k was identified as cyclical maintenance work undertaken in the prior year which does not meet the definition of Property Schemes in Progress. As these costs are not capital expenditure they have been reclassified as revenue expenditure in the prior period. These costs have been written off as part of the prior year adjustment and corrected within Note 8 and 24.
- d) The Salvation Army Trust has two trading subsidiaries. No consolidation adjustment was included in 2023 to remove intercompany trading contained in the Group Statement of Financial Activities. Subsequently, Trading Income was reduced by £4,200K to reflect inter-group trading between the parent company and subsidiaries SAGIC (£3,200K) and SATCoL (£800K). Costs were correspondingly reduced by £4,200 with no overall change in the results. The changes were reflected on the face of the SOFA, Note 5 and Note 8.
- e) Other income was incorrectly netted off against the associated costs in 2023. This income has now been grossed up from £2,448K to 7,156K in the 2023 comparative of these accounts as follows:

i.	Event income Grossed up	£1,236k	
ii.	Rental portfolio income grossed up	£5,319k	
iii.	Transfer to Investment Property	(£1,847)k	(f) below

The income was grossed up on the face of the SOFA and costs increased by £4,708K in Note 8 with no overall change in the reported result.

- f) Investment income in the 2023 comparative was increased by £1,847k from £3,554k to £5,401k. This is to reflect the income from investment properties reclassified in 2023 (see point a) that had been recorded as Mission Property rather than Investment Property in 2023. The adjustments are reflected in Notes 5 and 8.

32. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITY

As required by FRS 102 the SOFA set out below is the full analysis for the 2023 comparative.

	Endowment £000	Restricted £000	Unrestricted £000	2023 £000
INCOME AND ENDOWMENTS FROM				
Donations, Legacies and Grants				
Legacies	-	11,742	57,562	69,304
Donations — Public	-	11,383	60,179	71,562
Donations — Members	-	17,586	142	17,728
Grants	251	3,047	86	3,384
Trading Activities	-	12,644	89,074	101,718
Investments	-	1,121	7,753	8,874
Other				
Gain on disposal of property	-	3,281	9,400	12,681
Other income	-	2,448	-	2,448
Total Income	251	63,252	224,196	287,699
EXPENDITURE				
Raising Funds				
Costs of raising donations, legacies, and grants	-	53	15,528	15,581
Costs of trading activities	-	7,023	88,057	95,080
	-	7,076	103,585	110,661
Charitable Activities				
Church and Evangelism Programmes	-	27,351	26,171	53,522
Community Programmes	-	40,732	29,448	70,180
International Programmes	-	4,067	3,119	7,186
Training Programmes	-	19	7,090	7,109
Youth and Young People Programmes	-	-	2,585	2,585
Grant to the Salvation Army Social Work Trust	-	-	22,373	22,373
	-	72,169	90,786	162,955
Financing Costs	-	-	48	48
-	-	-	48	48
Total Expenditure	-	79,245	194,419	273,664
Gains/(Losses) on Investments	(1,358)	(4)	398	(964)
Net Income/(Expenditure)	(1,107)	(15,997)	30,175	13,071

Transfer between funds	-	29,810	(29,810)	-
NET MOVEMENT IN FUNDS	(1,107)	13,813	365	13,071
Fund balances brought forward	16,345	484,520	339,439	840,304
Fund balances carried forward at 31 March 2023	15,238	498,333	339,804	853,375

THE SALVATION ARMY

England & Wales - Charity number 214779

Accounts



The Salvation Army United Kingdom and Ireland Territory
The Salvation Army Trust
Report and Financial Statements for the United
Kingdom in the year ended 31 March 2023

Charity Registration No: 214779 Scottish Charity Registration No: SC009359

Principal Office

Territorial Headquarters: 1 Champion Park, London, SE5 8FJ

www.salvationarmy.org.uk

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INTRODUCTION FROM THE TERRITORIAL COMMANDER



Commissioner Anthony Cotterill

Our Vision is bold and audacious: 'Fullness of life for all with Jesus'. Some might think it is unrealistic. However, as you read this Annual Report you will see multiple examples of people experiencing a fuller life because of the work of The Salvation Army.

This has been another challenging 12 months. Before people and communities across the UK, Ireland, Channel Islands and the Isle of Man had time to recover from the COVID pandemic, the cost-of-living crisis has threatened to overwhelm us. I am pleased this report shows The Salvation Army in the UK stepping up to address multiple challenges with resilience and compassion. Most importantly, you will see evidence that the people we serve have been enabled to experience a fuller life in seemingly endless ways.

This is the uniqueness of The Salvation Army. We are not 'single-issue' like many in the UK charity sector. Throughout our 155+ year history we have sought to meet the needs of people just where they are. We focus on people on the margins of society who are struggling with complex problems. We know the solutions are complex and consequently we are a complex organisation.

Essentially, we are a Christian church working in the UK through several charitable trusts. To fully appreciate our work in the UK, this report needs to be read alongside The Salvation Army Social Work Trust (Charity Registration number 215174) report. Operationally we do not function as two distinct charities since the objects of the two trusts are different but complementary. In everything we do, we seek to support people without discrimination and with respect and compassion. We long for everyone to experience fullness of life with Jesus.

I express my sincere thanks to everyone who has financially supported The Salvation Army during the year under review. Despite the challenging economic situation, hundreds of thousands of people across the UK generously gave so that we can help others. We also thank the many branches of Government, trusts, foundations and corporations who partner with The Salvation Army to enable people and communities to flourish.

This is my final Annual Report and Accounts as my wife, Gillian, and I will be entering retirement on 31 December 2023 after almost 40 years of service as Salvation Army officers. I commend our successors, the current Chief Secretary, Colonel Paul Main, and Colonel Jenine Main to you. God has been faithful throughout our lives and we have had the greatest privilege serving as Salvation Army officers. 'Fullness of life for all with Jesus' has been our experience and it can be yours too.

Thank you again for your help and support. May God bless you.

Commissioner Anthony Cotterill

Territorial Commander of The Salvation Army in the United Kingdom and Ireland

OUR VISION, MISSION AND VALUES

Our Vision, Our Values and a set of five Mission Priorities inspire and guide all the work we do as a church and as a charity. We simplified and refreshed our Vision, Mission and Values statements in 2021 to reaffirm our sense of purpose and direction for The Salvation Army in the United Kingdom, Ireland, the Channel Islands and the Isle of Man. Since their creation and adoption and across the year under review, the new statements have been deployed extensively across the territory. Their simplicity and boldness mean that all areas of the diverse work of The Salvation Army can be both anchored and inspired by them.

Vision statement:

Our Vision:
Fullness of life
for *all* with Jesus

This is 'Our Vision' for every part of The Salvation Army. It is inspired by the words of Jesus: *'I have come that they may have life, and have it to the full'* (John 10:10 NIV).

No words can adequately capture the vision of boundless salvation that God intends for the world and everything in it. However, 'Fullness of life for all with Jesus' includes every aspect of Salvation Army life. We believe everyone can enjoy fullness of life with Jesus. It is aspirational – we are not there yet – but this is what we strive towards.

Mission Statement:

Our Mission:
To *share* the good news
To *serve* others without discrimination
To *nurture* disciples of Jesus
To *care* for creation
To *seek* justice and reconciliation

Our Mission is built on five priorities which are the drivers for all we do, how we do it and why we do it, across the entire organisation.

These short phrases communicate immense challenge, ambition and direction. When these priorities are present, The Salvation Army is working towards Our Vision of 'Fullness of life for all with Jesus'.

Each of the five priorities of Our Mission is rich in meaning and helps us explain to 21st-century society why the Christian message and the work of The Salvation Army is relevant and desperately needed in our communities and nations.

They are not arranged hierarchically but overlap and mutually support each other.

SHARE THE GOOD NEWS

At the heart of The Salvation Army's mission is a passion to proclaim the good news of Jesus Christ far and wide. This is not an optional extra. The Salvation Army only does what it does because our inspiration and vision come from people's ongoing relationship with Jesus. We know the difference our relationship with God makes in our lives and we don't want anyone to miss out.

SERVE OTHERS WITHOUT DISCRIMINATION

The Salvation Army responds to people without discrimination. God calls us to be with the people we serve. In 'being with' people – as against 'doing for' people – together we find solutions and make progress because we are all made in the image of God. We are called to share love in a too often loveless world. 'Love God, Love Others' inspires every aspect of our work.

NURTURE DISCIPLES OF JESUS

The future of The Salvation Army depends on nurturing current and future generations of Christian disciples who, filled with the Holy Spirit, share the good news of Jesus, resulting in more disciples. Like athletes, Christian disciples need to practise staying fit for God's demanding mission. Habits such as prayer, Bible reading, corporate worship, music, tithing and helping others are vital. The Salvation Army believes being a disciple of Jesus and experiencing the blessing of holiness is the way to experience fullness of life.

CARE FOR CREATION

The Salvation Army is committed to helping change attitudes, resulting in a more responsible use of our planet. We seek to provide practical care and advocacy for people affected by damage to the environment. People will not experience fullness of life unless God's creation is protected and cared for.

SEEK JUSTICE AND RECONCILIATION

People can experience a fuller life on Earth. God longs for justice for all people. Therefore The Salvation Army has always spoken out against injustice. We fight not simply the effects of injustice but also the systems and structures that enable injustice. Seeking reconciliation is also an essential part of The Salvation Army's vision of the good life. Peace and fullness of life is possible when justice and reconciliation are priorities in the lives of individuals, communities and nations. The Salvation Army is committed to work in partnership for these ends.

Our Values

Boldness
Respect

Compassion
Integrity

Passion
Mutual accountability

Our Values are for everyone involved in The Salvation Army and should be reflected in our behaviour and result in good relationships and increased wellbeing, and help us integrate what we do with how we do it.

The basic standard of Christian behaviour, derived from our understanding of the character and action of God, is love; so we need continually to be drawn back to understand how God is asking us to live and work together to help us be faithful to our calling to be God's people.

Boldness – We will courageously and confidently share the good news, seek justice and reconciliation, nurture disciples of Jesus, serve others without discrimination, and care for creation.

Compassion – We will serve with the unconditional love and grace of God as the pattern for our behaviour.

Passion – We will bring our best selves, our God-given energies and convictions, to our work, service and learning, whether as officers, members, employees or volunteers.

Respect – We will receive each person with the dignity of those created in the image of God, while seeking the transformation God provides.

Integrity – We will be honest and transparent in all our dealings with each other and those we serve, being open about our motives and agendas.

Mutual accountability – We will willingly and freely give full account for our actions to those we interact with and expect the same in return.

Statement of commitment:

We have one simple statement to explain why we are here, which frames all we are and all we do as a church and charity. Four words achieve this:



Love God
Love Others

This is based on Jesus' greatest commandment in Matthew 22:37-39 to 'Love the Lord your God' and to 'love your neighbour as yourself'. 'Love God, Love Others' underpins, inspires and motivates everything we do, in every part of The Salvation Army.

Throughout 2022 and 2023 this statement has been widely used across The Salvation Army in communications, on corporate publications, on our websites and on email footers as a powerfully simple 'explainer' of what we are here to do and how we strive to deliver our vision.

OBJECTS OF THE SALVATION ARMY TRUST

The Salvation Army's principal objectives are *the advancement of the Christian religion and pursuant thereto the advancement of education, the relief of poverty and other charitable objects beneficial to society or the community of mankind as a whole.*

The following groups benefit from the work of The Salvation Army Trust:

- people who worship or participate in other activities at Salvation Army corps (churches) and community centres.
- vulnerable and disadvantaged members of society, including people experiencing homelessness, older and/or lonely people, children, young people and families, people dealing with issues such as substance abuse and other illnesses.
- the wider community of society as a whole.

The Salvation Army takes a holistic approach, engaging with people's physical, emotional and spiritual needs, offering its services without discrimination.

EXPLAINING OUR STRATEGY, STRUCTURE AND OPERATION

The Salvation Army is a broad and diverse organisation. As a Christian denomination it puts its faith into action in so many different ways across the UK, and this section seeks to explain how our foundation as a church is the essential basis of how we work and what we do.

Our two principal charitable registrations:

The Salvation Army operates through two principal charitable trusts: The Salvation Army Trust and The Salvation Army Social Work Trust. This Report and Accounts outlines the work of **The Salvation Army Trust (Charity Registration number 214779)**, which is the charity registration through which we manage our programmes of engagement and support that are delivered through our local corps (churches) and our community centres. Much of the funding for the work of The Salvation Army Trust derives from public donations, legacies, trading activities and church members.

However, the work of The Salvation Army Trust does not represent the entirety of The Salvation Army's work in the UK. Alongside the locally driven, locally responsive corps (church)-based operations which are reported here in this Report and Accounts, The Salvation Army operates centrally co-ordinated and centrally managed 'social services'. Whilst this is still the 'work' of The Salvation Army, the finances of these operations are managed and reported on through a separate charity registration, **The Salvation Army Social Work Trust (Charity Registration number 215174)** which has its own Report and Accounts. The Salvation Army Social Work Trust accounts for residential programmes for homeless

people, care homes for older people, residential detox centres, family centres, refuges for victims of domestic violence, safe houses and services for the victims and survivors of modern slavery and human trafficking, and our Employment Plus services. These services are managed in a top-down model due to the vulnerability of the people needing help and because of statutory regulations and contract requirements. Much of the funding for The Salvation Army Social Work Trust derives from government and local authority contracts and additional supplementary funding comes from The Salvation Army Trust.

Summary of the purpose of The Salvation Army Trust

The Salvation Army Trust is the charity registration through which our corps (church)-based community programmes and our congregational life are managed and accounted for. Because each community is different, our community work and expression will be different in each location. This is illustrated later on.

Inspired by our vision and mission statements:

- We offer and are energised by Christian worship, teach Christian principles and encourage Christians to live out their faith in every aspect of life. We promote the Christian good news through various media including literature, music, digital media and personal evangelism.
- We provide community programmes through corps (local churches) and in communities that are relevant to local needs, to assist people of all ages to enhance their quality of life, self-respect, personal development and relationships with others. We work alongside local communities to ensure that we are partnering with them and other agencies to meet local need. We do that through formal and informal activities.
- We seek to influence policymakers, providing information on social issues affecting people on the margins of society. We seek to amplify these voices and help society be fairer, more caring and just.
- We train and equip current and future Salvation Army officers, staff and volunteers.
- We financially support **The Salvation Army Social Work Trust** in the full range of services it provides.
- We support the international mission work of The Salvation Army, including development work and providing relief to those affected by disasters overseas.
- We review and adjust our strategies and programmes to respond to changing needs.
- We strive to achieve our vision of ‘fullness of life for all with Jesus’ in everything we do through five Mission Priorities: share the good news; serve others without discrimination; nurture disciples of Jesus; care for creation; seek justice and reconciliation. Operationally we are prioritising transformation, integration and streamlining to increase our effectiveness and impact.

The scale of the work of The Salvation Army Trust

The Salvation Army Trust works principally through 622 corps (churches) and community centres in the United Kingdom¹.

England: 500 corps (includes Isle of Man and Channel Islands)

Wales: 36 corps

Scotland: 69 corps

Northern Ireland: 17 corps

A list of centres managed through The Salvation Army Social Work Trust is in the Report and Accounts for that trust.

The work and delivery of The Salvation Army Trust

To ‘make sense’ of The Salvation Army, it is important to remember that The Salvation Army is first and foremost a church, but a church that delivers a colossal and diverse range of charitable services. Everything The Salvation Army does should positively contribute to making the world a better place – as God intends it to be.

As a church, we have a network across the UK of over 600 local corps (churches) and community centres. These are generally run by corps officers, who are trained and commissioned (ordained) Salvation Army ministers of religion. Each corps officer is accountable to his or her community but is operationally accountable to a team of 14 divisional leaders who in turn report to the territorial headquarters based in London.

This strong community presence is the way in which we ensure we respond to local needs in local ways. What we do is generally decided on, agreed upon and delivered locally. The costs and delivery of this network of corps, and the infrastructure and the centralised operations that support it, are the subject of this Annual Report and Accounts for The Salvation Army Trust.

The Salvation Army is a church and charity that doesn’t just help people by providing immediate, practical support to overcome issues such as addiction, homelessness, social isolation or poverty; it also strives to address the reasons behind the suffering, with a view to effecting sustainable change in individuals and society at large.

Therefore, what sets The Salvation Army apart from other organisations is the combined strength of our centrally co-ordinated social work services and the local responsiveness of our corps (churches) and community centres which are all playing their part to bring lasting change at a local and national level.

¹ The Salvation Army Yearbook 2023

Every officer, member of staff and volunteer brings their own unique insight into the lives of the service users and communities they serve, to inform the work that we do and help us prioritise which reforms we will campaign for on behalf of the marginalised and vulnerable.

Explaining our distinctive organisational approach to strategy

Our vision statement is '*Fullness of life for all with Jesus*'. This is a scripturally inspired goal which now forms the heart of our delivery. The Salvation Army is a diverse, responsive, agile Christian church and charity. Because we live and work in the communities we serve, we fully recognise that each community is different and consequently the needs of each community are different.

Our approach is to encourage effective and flexible activities focused on helping people experience life in all its fullness across all the communities in the UK where we have a local presence.

The UK Salvation Army deliberately does not have a prescriptive approach to directing its delivery at corps or centres or a directive top-down strategy. Instead, we prioritise local responses to local needs as the way we choose to work across the UK. The size, scale and professionalism of The Salvation Army can be underestimated because of this strategic decision.

This report highlights how this approach has enabled us to respond powerfully, quickly and in an agile and flexible – and, above all, locally relevant – way to the latter stages of the pandemic and how we emerged from that time with renewed energy and agility.

Integrated locally

Together, the two Annual Reports and Accounts provide a comprehensive account of the work of The Salvation Army in the United Kingdom. At a local level, The Salvation Army across both trusts is encouraged to work together to bring lasting change at local as well as national level – we call this '*integrated mission*'.

Integrated internationally

In a wider context, The Salvation Army works in more than 130 countries², on every continent, often in the forgotten corners of society. Our breadth of experience and hierarchical structure enables lessons learnt in one place to benefit people with similar challenges thousands of miles away. The rapid expansion of our work with victims and survivors of modern slavery and human trafficking is a good example of this strategic advantage.

² 133 in The Salvation Army Yearbook 2023

Resourcing, support and oversight

The local diversity of The Salvation Army's operations is facilitated through centrally co-ordinated support services — such as HR, finance, property, IT, PR and fundraising, with some of these support functions also located in divisional (regional) headquarters. This approach enables us to be efficient and effective in the use of resources.

In addition, there are staff whose role is to learn lessons from local programmes and pilot schemes, to share resources and successful outcomes from innovation and experience with other Salvation Army operations to help us achieve our mission across The Salvation Army as effectively as possible. This approach helps to drive up the quality of our services to people who are often poor, marginalised and vulnerable.

REALIGNING RESOURCE TO ENABLE A 'FLOURISHING' AND EFFECTIVE SALVATION ARMY

Continuing the delivery of the Structure Co-ordination and Design Project 2022/2023

The Salvation Army has never been a static organisation, and over its 158 years of life and work it has been constantly evolving to match efficiency and effectiveness with changing times and changing needs.

Ensuring appropriate oversight and support and operational freedoms to more than 600 diverse and locally responsive Salvation Army churches and community centres is challenging. Add to that over 100 residential and non-residential social work centres, and the challenge of ensuring the most effective allocation of resources is a critical task.

The challenge of the Vision Statement and the five Mission Priorities adopted in 2021 was the impetus for looking at what organisational structures and ways of working needed to change to enable our 'local mission delivery units' (corps and centres) to truly flourish in their individual settings. By 'flourishing' we mean that every expression of The Salvation Army should actively be engaging with the five Mission Priorities (our Mission Statement) in order to achieve our vision.

This significant task, termed *The Structure Co-ordination and Design Project*, has been focused on three desired outcomes:

- **Transformation:** Increase the capacity of locally based Salvation Army work to contribute to the five Mission Priorities (share the good news; serve others without discrimination; nurture disciples of Jesus; care for creation; seek justice and reconciliation).
- **Integration:** Build strong and effective collaboration between all aspects of Salvation Army work in a geographical area.
- **Streamlining:** Design appropriate, effective, efficient and sustainable structures and processes that enable local mission to flourish.

Starting in 2021 and over a two-year period coming to fruition in the year covered by this Annual Report, the Structure Co-ordination and Design Project conducted probably one of the most extensive pieces of internal research we have ever executed in order to answer the simple question:

‘What (change) is needed to enable our local mission to flourish?’

The process was deliberately designed to be ‘bottom-up’. Consultations were carried out within all the then 22 divisions, and at all headquarters, both territorial and divisional.

The principal premise we worked to is this: A combination of effective **oversight** of the right things, combined with the allocation of adequate resources and **support**, and the effective **release** of our local mission delivery expressions from unnecessary control, should result in communities and people flourishing.

The strength of this simple model is that it dovetails into the way The Salvation Army has always worked. We respond locally and meaningfully to local need in local ways. Organisational structures, and administrative and decision-making processes can become burdensome and inefficient. At its best, The Salvation Army is often more local organism than top-down organisation. Therefore, rooting and starting our thinking and planning for change in ‘local’ was the most sensible and potentially the most powerful way forward.

The outcome can be outlined as a series of significant changes to the way we work:

Release: We engaged and continue to engage in extensive rethink of how resources need to be marshalled and how the local delivery points can be released to be as free as possible to decide on and deliver what they perceive is needed in terms of service and services. One outcome is, and will continue to be, a review of effectiveness, and how investment can be directed more freely to where increased investment will deliver significant change for people and communities.

Oversight: Effective oversight is vital for compliance and governance. Oversight ensures we are doing the right things in the right ways. However, the design process also looked at where supervision and some forms of oversight are unnecessary or could be released to be done locally, not centrally. We have a strong spirit of accountability in The Salvation Army and the releasing of some aspects of oversight will mean more local ownership.

Support: We need to continue to ensure that the support that is needed to enable local mission delivery to flourish is available, but in the right ways. This means adequate funding streams, support for raising awareness locally, support for training and innovation and local growth. We are developing more practitioner-based and peer-to-peer support. This is helping to reduce the cost of support and improve the quality by encouraging people to learn from fellow practitioners.

Streamlining was also one of the three goals of this process, and a significant branch of this project looked at our divisional structure and how best can our 600+ corps and community centres be clustered and supported divisionally (regionally). Following extensive consultation, it was decided to systematically reduce the number of divisions from 22 to 14. This entailed a reshaping of the role of the divisional leadership team to ensure the effective application of the principle of support and oversight and release. Critical to this thinking was also to ensure divisional headquarters and staff work with territorial headquarters and staff to form one integrated system of support and oversight. During 2022 and 2023 these changes gradually came into effect and The Salvation Army in the UK settled into working with its new divisional boundaries.

The changes that this project introduced started to be felt in 2022/2023. In the period covered by this review:

- The number of divisions (dioceses) in the UK reduced to the target number of 14. The number of corps (churches) in divisions now varies significantly from 17 in North Scotland Division to 67 in the East of England Division.
- New divisional roles were created to support the divisional leaders in overseeing and supporting the mission delivery at local settings.
- A culture was adopted that offered flexibility in structures within divisions to allow greater freedom – previously all divisions were expected to have the same hierarchical structure and staffing.
- A review of safeguarding roles, responsibilities and procedures started.
- Our Personnel Service implemented a new recruitment system to reduce administration.
- The Property Department continued to implement changes to better serve local corps and improve property maintenance.
- The importance of impact measurement and data management was reflected in the implementation of a pilot scheme to look at how we collect, share and interpret data across the territory, in order to drive continual improvement.

The Structure Co-ordination and Design Project is scheduled to conclude its work by the end of 2023, with the ongoing focus on transformation, streamlining and integration being taken forward by headquarters staff as an essential aspect of ‘business as usual’.

ILLUSTRATING THE WORK AND ACHIEVEMENTS OF THE SALVATION ARMY TRUST 2022/2023

WE ARE THE SALVATION ARMY

We are a church but not in the traditional sense. Our founders, William and Catherine Booth, abandoned the conventional Victorian ways of doing church. Rather, they took God's good news of salvation directly to the people. They particularly focused on the social and spiritual transformation of society's most vulnerable and marginalised people.

Today – as a church and a charity – we continue this work through hundreds of Salvation Army corps (church and community centres) – as well as a network of social service centres funded through the Salvation Army Social Work Trust – around the country. We are energised by Christian worship, teach Christian principles and put our faith into action, by reaching out to people in need.

The work of every corps is to seek to follow our Mission Priorities in order to achieve our vision in the communities we serve. Because each community is different, how we serve them also differs. It would be an almost impossible task to list here all the different programmes we run. What this overall section does is to illustrate our life and work during 2022/2023 with examples of our diverse delivery and the challenges we have met in different settings.

This year we have illustrated our life as a church more than we have in the past. It is from our foundation and living presence as a church that our belief is put into action in the communities where we are present.

BEING A LIVING AND CHANGING CHURCH – COMPASSION IN ACTION

'Jesus replied: "Love the Lord your God with all your heart and with all your soul and with all your mind... Love your neighbour as yourself."' (Matthew 22:37,39 *NIV*)

We take a whistle-stop tour around some of our churches, to see how they are responding to the social and spiritual needs of people in their communities.

Growing mustard seed in Doncaster

'The kingdom of heaven is like a mustard seed, which a man took and planted in his field. Though it is the smallest of all seeds, yet when it grows, it is the largest of garden plants and becomes a tree, so that the birds come and perch in its branches.' (Matthew 13:31,32 *NIV*)

Doncaster was a lively corps with so much to offer different age groups. During Covid-19, when the doors were locked and all activities ceased, it felt like their beacon of light had gone out.

But their mustard seed never died. As restrictions lifted, it grew stronger roots. After the lockdowns they began to reimagine the church – for example, by introducing family worship and Bible groups, giving its parent-and-toddler group a new format and inviting young people to sing and play in the band.

The corps had a place for everyone and those green shoots from the mustard seed became a family tree. The church grew into a vibrant ministry for God.

Sheppey's supermarket on wheels

Sheerness Corps is part of the Sheppey Community Development Forum. The Isle of Sheppey is an area of social deprivation, with many low-income earners and few employment opportunities. So the Forum came up with the idea for the Sheppey Support Bus, a mobile supermarket.

One day a week it visits four stops, including the two most remote areas. Members of the social supermarket paid a monthly fee. For £28 a month a family receives 20 items that can be stored at room temperature, such as pasta, sauces, beans, tea, coffee and toiletries.

People found more than food on board. There was wider support from Barclays Bank employees offered budgeting support, community wardens, the probation services officer, a fuel and water adviser and volunteers from a domestic abuse support charity.

Caring for creation in Sidmouth

Sidmouth Corps is unusual in that it doesn't have a building of its own, but its members are still embedded firmly in the local community. They used spaces that would otherwise be empty a lot of the time. It is typical of their approach as an Eco Church, for which they have just won a bronze award. Caring for creation is reflected in everything they do.

For example, people could take items, which would have ended up in landfill, to the monthly repair café. They didn't just 'drop and go' – the item bearer and repairer worked together to fix and maintain an item. The parent-and-toddler group recycled and used natural materials for craft activities, for example old potatoes that were no longer edible.

Community spirit in Merseyside

Starting with just one corps in 1880, there are now eight corps, three Lifehouses and new partnerships spreading community spirit across the county. Here are some highlights.

Champions Court in St Helens comprises 28 apartments across two blocks with 24-hour wrap-around support. It helped former rough sleepers get ready to live independently and remains a much-needed service for vulnerable members of the community, as they overcame issues such as mental health problems, addiction and childhood trauma.

Liverpool Walton Salvation Army tackled holiday hunger and financial family worries over the school summer holidays by supporting more than 100 children through a summer holiday club. It took pressure off families as many continued to navigate the cost-of-living crisis.

Liverpool Stoneycroft Salvation Army offered a number of weekly activities for the community, from a craft club and football matches for young adults to Employment Plus – our employability programme aimed at helping people back into work. This provided tailored support to help people become job-ready and overcome obstacles they may face professionally and personally. A grant from the Sequoia Charitable Trust helped fund a real and welcome development in youth work.

Southport Corps is in the process of building and developing a community garden. It is envisaged as a mindfulness space for connection and conversation, as well as a place where fruit, vegetables and flowers can be grown.

Crofting for Christ in Shetland

The Salvation Army corps in Shetland is only two years old. There is no building or an established congregation, yet members were proud to serve the island community in a new and environmentally friendly way – as an Eco Church.

Local crofters offered land and help to build a polytunnel and provide the necessary items to get work started. Now they work in partnership with the corps. The produce grown from donated seeds and plants benefits the whole community, and nothing is priced.

This year they introduced an area of raised beds at schools. The team also made planter boxes to encourage families to sow a few carrots or onions and watch them grow. There was a fridge with home bakes, and woodcraft items are sold locally to raise money for the mission.

A warm welcome in Reading

Outside the large Salvation Army hall in Reading, a sign says ‘A church for all’ and they mean it! The fellowship recognised the importance of making people feel welcome and accepted. They wanted to give people a sense of belonging and value.

What was a traditional corps has expanded and diversified in so many ways. The biggest growth has been with young people, whose enthusiasm is infectious. For example, the number of young brass players has grown from eight to twenty in recent months. Senior players provided excellent ongoing teaching and support and young learners grew in confidence.

The focus was on families and nurturing disciples of Jesus. Eight junior soldiers were enrolled in February and a leader for young people, Rachael, was commissioned.

Faithful community in Coedpoeth

The word that sums up the spirit of the corps in Coedpoeth, near Wrexham, is ‘faithful’. People associated with the corps – its leaders, soldiers, supporters, friends, family and volunteers – gave their time faithfully each week, ensuring a continuing presence of The Salvation Army in the area.

The corps held two meetings on a Sunday and regular Sunday ministry at care homes and in the street. Coffee mornings, Bible studies, band practice and clubs for children and youth were part of a busy programme. On the local high street, a wonderful team of volunteers ran a charity shop.

Partnership was important too. The corps shared a building with the Catholic Church, were active in the Minera and Coedpoeth Churches Together group, and shared band practice with Rhosllanerchrugog Corps just five miles away.

‘This is a group of Christian disciples actively putting their faith into practice as they raise their children, grandchildren and even great-grandchildren.’ – Captain Darren Hampton

Core Recovery for addiction

The Salvation Army has a 150-year history of journeying alongside people living with addictions. We continued this pledge of helping people in need through a ‘recovery church’, called ‘Core Recovery’, which we have re-energised in the last year.

It was a simple idea. Because The Salvation Army truly believes that everyone deserves fullness of life through Jesus, Salvationists needed to consider seriously how to create spaces for healing and transformation for people living with addictions and other forms of trauma.

Our Core Recovery team helped corps to create these spaces, with advice, expertise, resources and guidance. At its heart were key principles including belonging, no discrimination, lots of encouragement and compassion.

‘I work side by side with disadvantaged, lonely and isolated people to empower them, upskill them and see them flourish in newfound confidence.’ – Christina Davies, Skills and Employability Co-ordinator at The Haven, Neath

LGBTQ+ love and understanding

In our corps and youth groups, there are young people who identify as LGBTQ+. They may feel that their sexuality or gender identity are at odds with their beliefs, and this can sometimes be exacerbated in faith communities. The Salvation Army wants to change that. We developed a training resource in response to conversations with youth workers and leaders who felt ill-equipped, and even nervous, to have conversations about gender and sexuality with their young people.

The programme – *An Introduction to Pastorally Supporting LGBTQ+ Young People* – was designed to equip youth leaders with knowledge and information to enable them to engage with young people around identity and gender. It will offer loving, compassionate and inclusive pastoral support to LGBTQ+ young people in the church community.

Comments about the training are truly rewarding:

‘Really helpful for stimulating conversation and for promoting grace and reflection.’

‘Thought-provoking, helpful, eye-opening.’

‘Really helpful – a good mix of input, conversation and opportunity to think about specific issues.’

A mission of racial inclusion

ALL of humanity is created equally in God’s image. That is the fundamental starting point for the Racial Inclusion Working Group (RIWG), which has worked hard during 2022/2023. The group aims to identify and find ways to address any form of racial inequality within The Salvation Army in this territory.

The RIWG is made up of a diverse array of people. They have been working together to prayerfully promote and facilitate the inclusion of people from all racial, ethnic and cultural backgrounds at every level and in every context. Here are some of the ways:

- Survey – to identify any barriers that might exclude people and potential areas of discrimination, as well as to understand people’s perceptions and experiences of equity, inclusion and belonging.
- Inclusion Mission Advocates – these work on a local level to champion equality, raise awareness of inclusion, and promote policy and best practice. They ensure that diverse voices are heard and that marginalised and minority experiences are understood.
- Listening spaces – safe environments with trained facilitators where people can share their thoughts, lived experiences and concerns. This can lead to positive transformation and change.

‘So in Christ Jesus you are all children of God through faith, for all of you who were baptised into Christ have clothed yourselves with Christ. There is neither Jew nor Gentile, neither slave nor free, nor is there male and female, for you are all one in Christ Jesus.’ (Galatians 3:26-29 NIV).

No faith in fossil fuels

Salvation Army Cadet (ordinand) Elizabeth Kitchenside took part in a walk to Parliament with other Christians in April 2022, to call for the Government to stop new investment in fossil fuels. Elizabeth told us:

‘Caring for creation is a fundamental value in my Christian faith. The legacy of The Salvation Army is one of radical and revolutionary followers of Jesus who spoke powerfully and prophetically into society, in order to bring about justice and the Kingdom of God.

‘Joining the No Faith in Fossil Fuels march is one way of doing just that: standing up for what we believe in and joining with God’s people and prophets in order to see God’s Kingdom realised. By ignoring the climate crisis, we risk destroying God’s beautiful creation. Our inaction speaks just as loudly as our action. By walking, my hope is that the Government and those in positions of power might listen and put into place the policy and legislation needed to secure a safe future. *‘I walked for my future, for the planet, for justice and, most importantly, for my God.’* – Cadet Elizabeth Kitchenside

Commissioned and ready to go!

Together22 was a new and exciting territorial event that took place in Birmingham from 15 to 17 July 2022. It brought together three significant Salvation Army events under the same umbrella. During the weekend we celebrated Commissioning (our term for ordination), our annual Congress and Symphony Sounds (a celebration of our music) in a new way.

The commissioning of the Messengers of Reconciliation Session took centre stage on Sunday. Cadets entered the hall to the band playing ‘Spirit of the Living God’. Territorial Secretary for Leader Development Colonel Jenine Main welcomed both those in attendance and those watching the livestream.

Assistant Principal Lieut-Colonel Karen Shakespeare (William Booth College) formally presented the session, and the cadets were received by Territorial Commander Commissioner Anthony Cotterill, who commended the corps, family, supporters and college staff who had encouraged them on their journeys to officership.

The Messengers of Reconciliation then recited the Doctrines of The Salvation Army, the same Doctrines that have been recited by thousands of officers commissioned around the world for more than 140 years.

The dedication song ‘I Will Serve by Love’ was sung by the combined sessions and college staff before Territorial Leader for Leader Development Commissioner Gill Cotterill completed the ordination and commissioning of the 10 cadets – now lieutenants!

BEING A LIVING AND CHANGING CHURCH – MINISTRY IN ACTION

Sharing common ground

Salvationists shared in fellowship with others at the Birmingham 2022 Commonwealth Games, which was attended by more than a million people. It gave our volunteers a once-in-a-lifetime opportunity to ‘love God and love others’ through their willingness to be placed where they were needed. For example:

- Birmingham Citadel’s (church) volunteers welcomed athletes and officials, helped spectators refresh and refill, and listened to people who wanted a friendly face.

- Salvation Army Major Vic Kennedy, a chaplain with West Midlands police, was responsible for chaplaincy at the police command hub. The police chaplaincy team distributed around 1,500 copies of the New Testament to police officers and staff members involved in the Games.

We prayed that the coming together of people from so many diverse backgrounds would be an incentive for change, improve wellbeing across our society, and help build better communities.

Women's renewed mission

Riverbank was the new name for our Women and God weekend which took place at Warwick University in June 2022. Taking the theme Just Imagine!, its purpose was to lead Christian women to imagine or re-imagine what God wants to accomplish through them in the 21st century.

Speakers included Director of Anti-Trafficking and Modern Slavery Major Kathy Betteridge, Bekah Legg, the CEO of Christian domestic abuse charity Restored, and Rachel Turner, founder of Parenting for Faith. Highlights of the weekend included a beautiful prayer space, artwork created to reflect the weekend, and a workshop where five women shared their personal stories of God doing more than they could have thought or imagined.

What attendees said:

'I am reassured that God places us where he needs us and that his everlasting love is mine. God gave more than I imagined this weekend and now I am excited to see what he can do through me!' – Victoria Dowse, Boston

'With a quiet space and prayer rooms available, it was easy to step away from others and have a 'me and God' time for reflection and prayer. The event had sign language interpreters throughout and I am grateful for the opportunity to have met and shared with so many great people.' – Paska Moore, Disability Engagement Adviser, Territorial Headquarters

Showing true colours

A diverse range of people from across the territory gathered for Exploring Leadership Day, an opportunity for worship, teaching, conversation and exploration of the opportunities and pathways for different forms of ministry leadership in The Salvation Army.

Territorial Secretary for Leader Development Colonel Jenine Main unpacked Matthew 8:23-27, the story of Jesus calming the storm, with two young leaders – Lieutenant Liam Beattie (Leicester West) and Lydia Kim (William Booth College). They challenged delegates to consider where they might be in the narrative. On the shore watching from a distance? In the boat but frightened, like the disciples? Trying to fight the storm? Or trusting Jesus, the peace-bringer? The message was: get on the boat, even though there may be storms ahead, for God will be with us.

The day was packed with seminars, worship and prayer. One of the busiest areas was the café, where people engaged in meaningful discussions aided by the challenge to 'be open', which pervaded the day.

By the end of the day, everyone had seen a glimpse of just how colourful a world it could be when people are open, choose to 'get on the boat' and live to shine for Jesus. Attendee Salvation Army Cadet Adam Barber said: 'God really spoke to me during the day and confirmed the calling he had placed on my life. I had never experienced the presence of God in such a tangible way!'

Chaplaincy in diverse settings

Salvation Army chaplains continued to offer a friendly, confidential and independent listening ear wherever they were stationed. They were there for anyone, to share in the joys and the sorrows of life, in places including hospitals, airports, care home, prisons and sports clubs.

A sporting chance

For Captain Ian Arthur, playing at Glasgow Rugby League Club provided a natural route into sports chaplaincy. 'On the rugby field there is a levelling. I am not Captain Ian Arthur of The Salvation Army; I'm Ian and I'm the number 10,' he said.

Being a sports chaplain is not about telling the players how to perform on the pitch or instructing club officials on how to manage a winning team. Instead, chaplains are a listening ear that hears above the roar of a crowd and clamour of a stadium. They counsel and inspire supporters and players alike.

A patient presence

Major Ann Stewart was corps officer at Horsham and felt the need to broaden her work. She contacted her local hospital chaplain and offered to do the hospital chaplaincy training. Ann is now the lead chaplain and goes to the hospital each week, visiting a small ward with mainly older people who need rehabilitation.

She said: 'Most of the time I am welcomed by patients and staff, and they are happy to have a chat. Occasionally people tell me they are "not religious", but when they see my Salvation Army badge, they are happy to talk. When appropriate I will pray with them.'

Serving those who protect

With ever-increasing strains on police officers and staff, there is more awareness than ever of the importance of holistic wellbeing. Major Peter West is a retired Salvation Army officer and police officer, and he is now chaplain at Kent Police College and a police station.

Sometimes police staff's problems are job-related, but more often than not they're personal. They are people too, with their own vulnerable elderly parents, difficult children and marital problems. As they work in such a secure environment, people in the police service can be wary about sharing their thoughts, feelings or problems.

Having a dedicated chaplain provided them with a secure environment. 'It's really about getting to know people so that they trust me when they've got something to talk about. I think that's where being an ex-police officer helps,' Peter said.

A SHARED SENSE OF SERVICE

Our Territorial Commander, the leader of the Salvation Army in the UK and Ireland Territory, Commissioner Anthony Cotterill, sent a letter of congratulations to Her Majesty the Queen to mark the Platinum Jubilee in June 2022. In his message he said: 'We are enormously grateful for your service to the country and, in particular, the support you have given to The Salvation Army over the years of your reign.' All around the UK, The Salvation Army turned out in force to celebrate the Queen's reign with street parties, the lighting of beacons and music.

But just months later, in September 2022, The Salvation Army shared the sorrow of the nation at the announcement of the death of Her Majesty the Queen. In a statement we recognised the Queen's steadfast Christian faith throughout the tremendous challenges and enormous changes the country has come through during her reign.

Ahead of the Coronation of King Charles III, The Salvation Army looked back at the many times over the years that King Charles, when he was Prince of Wales, showed his support for the work of the church and charity.

At the age of only 21, the heir to the throne gave his first major public address about the environment, and he has become a well-known and pioneering voice for environmental causes. Like us, he has also been a vocal advocate for young people: in 1976 he founded the Prince's Trust to help 11 to 30-year-olds with training and work experience.

King Charles's belief in action can only have been reinforced by the many times he and The Salvation Army crossed paths. Here are just three examples:

- In 2007 he witnessed the Army responding to the major floods in Yorkshire – at the time described as the biggest rescue effort undertaken in peacetime Britain.
- On 31 December 1999, he visited our reopened Pleasance Lifehouse in Edinburgh, speaking to residents and staff members. He signed a portrait that went on display and was presented with a Salvation Army crest mounted on a background of Salvation Army tartan.
- In 1996 he spoke to Salvation Army personnel supporting the emergency services in the Docklands area of London, where a bomb had exploded.

Much like The Salvation Army, King Charles is non-party political in his new role as monarch. In his first address as King in September 2022, he acknowledged: 'It will no longer be possible for me to give so much of my time and energies to the charities and issues for which I care so deeply. But,' he added, 'I know this important work will go on in the trusted hands of others.' The Salvation Army will continue to deliver its mission as it seeks to achieve the vision it has set itself – fullness of life for all with Jesus.

ESSENTIAL SUPPORT IN HARD TIMES

In the previous Annual Report we described our diversity of pandemic response across the UK. Last year we reported on how we were re-energising and adapting in post-pandemic communities and the creative ways we had changed.

This year, 2022/2023 was characterised by the deeply felt cost-of-living crisis, and this was a great concern to us. It hit everyone, but for those with low, fixed incomes and high energy requirements it has been devastating, and during the year the impact of poverty crept further into our communities.

The crisis, as all crises do, brought out the best in our ability to adapt and respond. Our officers were on the ground in the country's most deprived areas and saw first-hand how the cost-of-living crisis pushed more people into a downward poverty spiral. Through our 600 corps and community centres, we prioritised local response to local need.

'We have helped find a bed for a pregnant woman forced to sleep on the floor, and supported a mother who had to give her child water instead of expensive milk. We have even seen a man faint from hunger queuing for a food parcel.'

'These aren't stories from Dickensian times when The Salvation Army was founded; these are recent examples of how we have stepped in to help people who can no longer afford the essentials of life.' — Lieut-Colonel Dean Pallant

People banked on us:

People needed the help of churches and charities more than ever before. We packed food parcels, provided hot meals and listened to people struggling to comprehend how they could no longer make ends meet.

Above all, we prayed we could meet a need that was growing day by day. As the apostle Paul wrote: 'Let us not become weary in doing good, for at the proper time we will reap a harvest if we do not give up' (Galatians 6:9 NIV).

— For warmth and friendship

While The Salvation Army welcomed a freeze in energy prices, we warned that it wasn't enough to help people already struggling. One of our actions to help people finding it hard to heat their homes or stay warm, was joining other churches in the Warm Welcome Campaign.

This scheme provided more than 1,000 places of warmth. The atmosphere was inclusive and non-judgemental, and people enjoyed the company of others as well as the warmth.

‘Our warm space is set up café-style. About 15 to 20 people have come along. In the future, we hope to build on it as a midweek fellowship.’ – CSM Lynne Brill, Merthyr Tydfil

‘We made a conscious decision to avoid stigma around the space by not operating a headcount or any sign-in procedure. Our intention was for people to feel welcome, loved and valued. If the building is open, the warm space is available!’ – Community Programme and Engagement Manager Kathryn Casserley, Southport

‘We’re also ensuring that those we support are fully equipped with the advice and guidance they need to heat their homes effectively and manage their incomes.’ – Lieutenant Miriam Smith, Glenrothes

– For food and basics

- **Food on the table**

In Penrith, the corps appealed for support in stocking the shelves of its food bank as more people struggled. As well as extra people coming to the food bank, there were additional referrals from schools, health visitors and doctors. During April 2022 alone, the food bank supported more than 1,211 people.

‘Needing help can creep up quickly on anyone, and something has gone wrong if people who are working can’t even afford to put food on the table.’ – Major Carole Donaldson, Penrith

- **Discount food shop**

People struggling to afford to buy food in and around Sheringham, Norfolk, were invited to sign up to a discount food shop run by The Salvation Army in the town, for just £5 every six months. The shop sold food at a substantially reduced price, with some free fresh food and vegetables available, to help people during the ongoing cost-of-living crisis. The shop also served as a gathering point, a place where we could spread God’s love.

- **Cooking on a budget**

If people don’t have the skills to cook, they may rely on takeaways. But this proved prohibitive to many during the cost-of-living crisis. In Oldham Fitton Hill, the Army put on a cooking course called Meet, Cook and Eat, over a period of four weeks.

Recipes fed a family of four with all ingredients totalling just £5 or less. With prepping and cooking in under 20 minutes, there was no need to worry about energy prices. It was also a chance to find friendship and pick up new skills to save money by changing cooking and spending habits.

– For clothes and compassion

- ***Every Child Warm***

Every Child Warm is based on the idea that coats and shoes are the most expensive items that a parent has to buy for their children. Finding the money can be harder for parents with limited budgets. In Gateshead, where there are huge health inequalities due to poverty, 300 children received coats and shoes in time for the new school term, thanks to The Salvation Army.

- ***Smart for school***

Corps across the country collected new and used school uniforms to give to children whose families were struggling in the cost-of-living crisis, ahead of the new school year. For example, at the Hednesford/Cannock Corps, PLUM (Pre-Loved Uniform Market) continued to be an invaluable service for many families in the district. A total of 106 children received uniforms.

OUR VISIBLE SUBSIDIARY

The Salvation Army Trading Company (SATCoL) is a wholly owned subsidiary of The Salvation Army.

It continued its mission to raise money for The Salvation Army through the Army's 230 charity shops, clothing collection donation centres and other recycling initiatives. Our charity shops are a very visible presence for The Salvation Army in the UK and their financial contribution helps to fund our work. Last year SATCoL donated more than £4.8 million to the UKI Territory (year end March 2023).

SATCoL reaffirmed its commitment to the values of care and compassion at its annual conference in Birmingham last year. Delegates heard about the good work it had made possible, such as Steps to Work, which provides training and work placements for 18-25 year-olds with learning difficulties at our Strawberry Field Centre in Liverpool.

SATCoL was presented with the Charity Retail Association's Outstanding Charity Retailer of the Year award. Its positive social and environmental impact played a big part in why it won the top prize.

Find out more – see how SATCoL helps people in need and the planet through innovative reuse and recycling schemes at www.satcol.org

TACKLING ROOT PROBLEMS – INFLUENCING POLICY

We provided people with immediate help in communities all around the UK. But long-term support is essential too. As well as our local services, we spoke out on behalf of vulnerable people by responding to Government measures which were announced in the Mini Budget in September 2022, Autumn Statement in November 2022 and Spring Budget in March 2023.

We were hugely relieved the Government wanted to help vulnerable households. Yet we feared that proposals would have little effect on the lives of those who needed to turn to us for support. Our recommendations included:

- To urgently raise benefits in line with inflation so people can afford to feed their families and pay their bills.
- To set up a new cross-Government task force to tackle, with empathy and compassion, the reasons people are not earning and are trapped in poverty, by improving education and employment locally so they can achieve a decent standard of living.
- To reconsider the tightening of Universal Credit conditions for people working 12-15 hours a week because it risks trapping them in low-paid jobs and struggling with rising prices.

Having significant experience of working with people fleeing dangerous situations, The Salvation Army expressed its deep concern at the UK Government's plans to send some asylum seekers and refugees to Rwanda.

Our three main areas of concern about the plan:

- It will not ensure people have the appropriate care and support.
- It threatens to introduce an inequality of treatment that cannot be defended on any moral grounds.
- Legal provisions available to genuine refugees will not have recourse to the UK courts of justice.

We felt it was our duty to speak out. This plan will not solve the problems of people who desperately need our help and tarnishes the UK's reputation as a responsible global force for good.

PULLING TOGETHER IN A CRISIS

As a Christian church with a strong social conscience, we seek to alleviate distress wherever it is found. In the immediate aftermath of disasters and emergency situations, The Salvation Army is swift to respond with practical and pastoral care.

Wherever there are people in need, The Salvation Army will aim to help if we can. We follow the example of Jesus Christ: 'God is our refuge and strength, a very present help in trouble' (Psalm 46:1 *NIV*).

Around the UK:

Our incident response vehicles and volunteers were out in force, providing refreshments and emotional support to first responders and emergency services teams. Here are some examples.

- Stornoway – firefighters, the coastguard and other agencies were out for days fighting fires which engulfed the island in smoke. Corps members provided much-needed drinks and food.
- Hastings – responding to floods, the corps provided workers with drinks, hot meals and a place to hold meetings and to rest. Our team also provided food, flasks and blankets to an anxious resident who didn't want to leave her flat, despite losing all power.

- Oldham — our vehicle was called to support emergency services dealing with the aftermath of a huge fire at a scrapyard.
- London — last July saw us provide an unprecedented level of support to the capital's firefighters. We now have three incident response vehicles strategically based at fire stations across London.

Proud to serve

The Salvation Army supported the many volunteers and emergency services teams on duty as Queen Elizabeth II's coffin lay in state in Edinburgh and then in London. We also supported vulnerable members of the community, some of whom struggled with the long waiting time, especially through the night. In both locations, the Army provided practical help as well as pastoral care for mourners.

VITAL SUPPORT FOR UKRAINE

On the ground

The outbreak of war in Europe was a shock for all of us. The Salvation Army has worked in Russia, Ukraine and most of the neighbouring countries such as Poland, Romania, Georgia and Moldova. Across the continent, local Salvation Army personnel did what we do best — help as many people as possible with the resources at their disposal.

As the impact of the conflict grew, The Salvation Army in the UK and Ireland Territory launched an appeal for funds. The UK public were extremely generous and our appeal raised over £4.5m. We also featured the relief work in Europe and here in the UK in our annual territorial Carol Concert in December at the Royal Albert Hall, London.

The Salvation Army's work across Europe has been extensive and the money raised has enabled us to work both here in the UK and across Europe for those affected. For example, in the Eastern Europe Territory to date more than 88,000 cooked meals and over 91,000 vouchers have been distributed. Over 13,000 overnight stays have been provided, including for children, being sheltered in Salvation Army run facilities.

'We are on the ground in Ukraine and neighbouring countries, offering urgently needed practical and emotional support for people fleeing danger.' — Ben Gilbert, International Projects Office Team Leader

Safe from human traffickers

Conflict places people at greater risk of human trafficking. We protected people seeking safety from further abuse and exploitation by human traffickers.

Many of the refugees were women and children leaving Ukraine for the very first time. They were scared, anxious to protect their children and worried for their husbands, fathers and brothers back home.

- Salvation Army teams from Moldova rushed to the Ukraine border in the first days of the conflict and have remained in place, providing accommodation, transport and food.
- We provided practical assistance and shared information translated into Ukrainian for those fleeing to alert them to their rights and the risks.
- We pooled information with anti-trafficking networks and used their contacts to get women and children to a safe place.

‘The impact can continue long after war has ended, as traffickers prey on displaced people. In recent years we have supported hundreds of people from places like Sudan, Eritrea and Iraq.’ – Major Kathy Betteridge, the UK and Ireland Territorial Director of Anti-Trafficking and Modern Slavery

Games without frontiers

Mattel brands – including Barbie, Scrabble and Hot Wheels – sold in The Entertainer toy shops are helping The Salvation Army and British Red Cross respond to the Ukraine-Russia crisis. Proceeds from sales helped provide emergency accommodation and provisions such as food, water and blankets.

Building futures

Here in the UK, our direct response to the conflict and the refugees who were displaced and who came here as a result was swift and meaningful. This work was directly supported by The Salvation Army Trust.

In Scarborough a Ukrainian Hub and Café have been set up by the local Salvation Army, providing a safe space for the Ukrainian community to gather, get access to information and even undertake basic English classes to aid with social integration. Other corps have been able to support participants with vouchers, household items and bikes for transport alongside pastoral and spiritual care.

Our charity shop in Maldon, Essex, helped Ukrainian refugees settle into the area by offering summer clothes, shoes and volunteering opportunities. Ukrainian refugee Leila, 25, volunteered with the shop for a month. Shop manager Kevin Dawson-Jennings said: *‘She has been doing an amazing job and her English is improving all the time.’* Offering such volunteer opportunities is another way the Army gave refugees hope and purpose.

Our church and community centre in Sutton set up a weekly Drop-In for Ukrainians to meet up with each other and fellow Ukrainians already living locally.

Gill Bonner, a member of The Salvation Army in Sutton who co-ordinates the Drop-In, said: *'It is a place for people to meet, whether they are newly arrived guests, staying with families or Ukrainians who have already lived here for some time. They come together to relax, share information and experiences and to speak Ukrainian.'*

A local Ukrainian resident who translates at the Drop-In said: *'This is great because they can meet each other and are given so much useful information, which is what they need right now. They are very happy to come here because they can bring their children and are given toys and school uniforms. Most of all they get a warm welcome and develop friendships. They also find out about English lessons and how they can access places such as banks and schools.'*

REACHING OUT TO VULNERABLE PEOPLE

Our corps support some of the most vulnerable and marginalised people in our communities, right across the UK. We believe that a fairer society, which upholds and supports all marginalised people, actually benefits us all. Our society will not work for anyone if it does not work for everyone.

We never judge, or question people's vulnerabilities. Instead, we treat them with kindness, sensitivity, empathy and tolerance. Our intention is to be good stewards of the blessings God has given us.

HERE FOR PEOPLE EXPERIENCING HOMELESSNESS

Warning signs for UK

Between April and June 2022, 2,998 individuals were sleeping rough in London. This was a jump of 16 per cent, compared with the same time in the previous year. Figures showed that 73 per cent had additional needs such as addictions and mental health problems.

These statistics were shared by Combined Homelessness and Information Network (Chain) but they only measured rough sleeping in England. The Army is calling for robust methods for recording numbers of rough sleepers for the whole country so that support services can be properly planned and sufficiently funded.

Even so, these figures acted as a warning. Not only is it a sign that the Government was drifting further from its commitment to end rough sleeping, but they could also point towards a deeper homelessness crisis as the cost of living bites.

SUPPORTING YOUNG PEOPLE

Feeding empty stomachs

In summer 2022, The Salvation Army saw an unprecedented demand for our support from worried parents as they struggled to feed their children. Teachers, health visitors and GPs also referred children to us, who were at risk of going hungry during the school holidays.

Some of the many local Salvation Army churches and community centres providing free food for children during the school holidays included:

- A Food Hunger Programme in Gateshead, which offered free breakfast and lunch for local children plus food to take home to their families twice a week throughout the six-week summer holidays.
- A Summer Club in Anderton, Glasgow, that served up a hot meal for up to 60 primary school-age children.
- A partnership with local schools in Reading Central giving healthy meals to families over the school holidays.

Feeding friendship and faith

Similarly to The Social Work Trust, there have been events run for people with disabilities such as the Enabled Summer School at The National Star College in Cheltenham.

The week-long calendar of activities included crafts, art, swimming, mindfulness, exercise and photography. Fellowship groups included Bible studies, discussion groups, Godly Play and a sensory group, with members exploring Scripture with a focus on rejoicing and joy.

Feeding hope and ambition

During the annual Self-Denial Appeal which takes place in March, Salvationists in the UK are encouraged to give sacrificially to support The Salvation Army in other countries. The appeal takes place in all countries where The Salvation Army is present, so it is truly a period when the UK Salvation Army joins forces with other Salvationists around the world. This year the appeal supported the Army's global work with young people. Growing up in today's world can be tough. It can be even harder for young people who endure discrimination, live in a country devastated by conflict or disaster, or face uncertainty.

Through the Self-Denial Appeal we gave young people faith and confidence to believe in themselves. We offered new opportunities, a safe place and guidance to create hope and a future.

Josfridah, a 17-year-old from Kenya, was one young person who benefited. Josfridah had been constantly bullied due to her spina bifida. She was a top student, but her self-esteem hit rock bottom. But she is now thriving at The Salvation Army's Joytown School. Josfridah said: 'I want to become a big person with dreams who will inspire other people.'

OLDER PEOPLE

We believe that it's important to develop spiritually, socially, culturally and emotionally but also to challenge the stereotypes and prejudices we have about the 'old'. We take our motivation from the words of Jesus who talked about 'Life in all its fullness' (John 10:10) which is the inspiration for our Vision Statement.

Striking the right note

There are almost 100 Singing by Heart groups across the territory, many run through local corps settings. Sessions are designed to encourage communication, recollection of memories and fun for all taking part. Songs are introduced by a relevant Scripture verse and concluded with a prayer.

One example is the fortnightly group run in a local care home in Yeovil by Majors Cheryl and Neil Davies. Major Cheryl said: 'Seeing the joy on the residents' faces is priceless, and their individual responses, whether it be clapping, tapping, dancing or something else, show that they are present in the moment and engaging on a level that may be hidden but not lost.'

Light in the dark

Over the past 15 years in Britain, the number of prisoners aged over 60 has tripled; and Majors Paul and Rita Conley, retired prison chaplains, have established the prison Cameo programme. These programmes run within HMPs Wymott, Usk and Prescoed.

The chaplaincy service supports both the activities of The Salvation Army Trust and The Salvation Army Social Work Trust. The Cameo programme ran activities like bingo, the chance to read, play chess or cards, watch documentaries or listen to guest speakers. We provided an oasis in what can be the darkest of places.

HELPING FAMILIES IN NEED

Stories of hope

Our Thorndale Family Centre in Belfast provided shelter, safety and support for families and single women in need of short-term accommodation due to issues such as relationship breakdown, financial hardship or domestic violence.

One example of the support offered was to bring children and parents together through reading. The Covid-19 pandemic and resultant home-schooling had set many children back, and some parents didn't know how to read with their children.

Our team worked with BookTrust Northern Ireland, helping families to escape from their everyday struggles, promote feelings of wellbeing, inspire individuals and enhance language skills.

‘We know the benefits children and families get from developing a love of books early in life.’
– Chris Eisenstadt, director of BookTrust Northern Ireland.

Valuable debt advice

Our 25 advice centres continued to meet a growing need across the UK, providing free advice on debt and money management – and referring people to additional support as needs be.

Debt can happen to anyone due to an unexpected turn in life, and the ongoing cost-of-living crisis contributed to the daily struggle for many people. Workers on zero-hours contracts, self-employed workers, seasonal workers and others sought help with debt problems. It was not just those who weren’t working who were struggling.

Our approach:

- Understand the level and type of debt.
- Review finances and find ways to raise income and reduce expenditure.
- Develop and agree a realistic debt solution.
- Negotiate with creditors – freeze interest payments, agree a payment plan.
- Support people during the repayment process and renegotiate if needs be.
- Provide education about money – to change habits and minimise future debt.

Lorraine Cook heads up the work of the Army’s debt advice services. She said: ‘We can give people a debt solution, but we can’t solve poverty. In the past, government departments distanced themselves from church-based community services and provision. But now they are seeing the results that our services are providing, they want to work with us.’

LOOKING FORWARD AS A MOVEMENT:

The Salvation Army is a church and a movement that understands people and understands the communities where it has a presence. We understand the wider issues that impact on our society such as homelessness, addictions, slavery and the importance of employment.

Because we know and understand the symptoms and the deeper problems, we are committed to address them. That is why we are such an agile, responsive and constantly evolving and adapting organisation. This report has illustrated how we responded afresh in 2022/2023.

Looking ahead, we will continue to adapt and innovate in order to meet current and new needs. A critical feature as we move forward is to do whatever we can to enable our front line, or local mission delivery as we call it, to flourish. With effective resourcing, support and oversight, our continuing intention is to enable this 'flourishing' of the mission of The Salvation Army locally.

We will continue to provide essential funding for our corps and community centres to enable them to innovate, develop and continue to meet needs that are not being met.

We will continue to support The Salvation Army Social Work Trust to enable it to provide the best possible support for people in our residential centres and who engage with or are referred to us for support, and in the case of modern slavery and human trafficking, protection and a fresh, safe new start.

We will continue to ensure local mission is supported from our territorial and divisional headquarters in the ways it needs to in order to ensure effective, efficient and compliant ministry, including financial controls, safeguarding, safe mission (health and safety), staff development and training and effective procurement.

We will continue to build on the work of the Structural Co-ordination and Design Project by maintaining a culture of continual improvement across the territory with a real commitment to address any organisational issues that are obstacles to enabling local mission to flourish.

We will continue to invest in funds that allow innovation and will continue to invest in our fundraising to ensure we have a stable and sustainable future to serve our communities.

With changes in society, we will look at how we ensure we are encouraging different forms of church leadership and membership so we can move with the times but maintain our distinctive ethos.

Above all, we commit to ensuring a meaningful presence across the UK, to making a difference in people's lives in practical and spiritual ways. Our commitment to 2024 and onwards is to continue to strive to deliver our vision: 'Fullness of life for all with Jesus'. That is our driving force and our goal, and that vision sets the strategic direction for each of our corps and community centres and directs the support that our territorial and divisional headquarters will provide.

MODERN SLAVERY AND ANTI HUMAN TRAFFICKING STATEMENT

As The Salvation Army in the United Kingdom and Ireland Territory, we hold a zero-tolerance stance on acts of modern slavery and human trafficking and on any breach of our Ethical Policy and will not condone any such action by our contractors, suppliers or consultants. We take this issue very seriously and are committed to preventing acts of modern slavery and human trafficking from occurring within our supply chain. Our Procurement Ethical Policy is integral to all supplier contracts and sets out the overall standards surrounding human rights, child labour, discrimination, corruption, bribery or other financial impropriety, legal compliance and ethical conduct with which our suppliers must comply.

A Supplier Ethical Declaration is referenced in the standard purchase terms and conditions of The Salvation Army and compliance is a contractual requirement for all suppliers operating under these standard terms and conditions. In addition, all suppliers and contractors submitting tender responses must confirm their agreement and acceptance of the terms and conditions and sign the ethical declaration and apply these standards to their own supply chains.

Our Procurement Unit continually reviews its supply base, examining suppliers in those areas that represent the highest risk of modern slavery, particularly in spend areas relating to temporary labour, cleaning, catering, linen, branded goods and building services. Where possible, trade and industry best practice standards are used as the benchmark and The Salvation Army has adopted the use of Constructionline for tendering and selecting building suppliers.

Due to the importance of training and education in the fight against modern slavery, the Procurement Unit has partnered with Stronger Together to deliver training to members of its team on identifying potential victims of modern slavery. All members of the Procurement team complete the Chartered Institute of Purchasing and Supply ethical procurement assessment annually.

The Procurement team holds regular Helping The Salvation Army Buy Better training seminars for stakeholders where ethical supply chain issues are covered. The Procurement team has also hosted a supplier conference with a specific focus on providing education on combating supply chain labour abuses. The commitment to ensuring ethical supply chain standards is also embedded in the recently adopted Salvation Army Fiscal Stewardship Principles and the Procurement Unit will be asked to report against these standards regularly.

OUR APPROACH TO FUNDRAISING

Context:

The Salvation Army Trust, which is the charity registration through which our church and community-based operations are run, relies very heavily on income generated by fundraising and the continued support of individuals through gifts in Wills to keep our diverse services alive and operating across the UK.

We meet the constant challenge of raising these funds in different ways:

- Local Salvation Army corps (churches) and community centres are expected to actively fundraise within their church membership and in their wider community to support their community programmes.
- Salvation Army church members give generously as part of their personal commitment to God, to their corps and to the wider Salvation Army.
- In addition, there is a centrally co-ordinated fundraising operation which manages the disciplines of national fundraising programmes, provides additional resources and support to corps-based fundraising and provides support to members of the public who want to raise funds for The Salvation Army. Principal activities of this are commented on below.
- We also actively but sensitively ask members and supporters to consider including The Salvation Army in their Will.

During the financial year 2022/2023 we continued to strengthen our fundraising ensuring long-term stability for our voluntary income as we look to the future.

Relationship between The Salvation Army Trust and The Salvation Army Social Work Trust

Fundraising for The Salvation Army's overall work across both its charitable trusts is carried out under the registration of The Salvation Army Trust, and therefore fundraising activity, income and expenditure are accounted for in this Report.

The Salvation Army Social Work Trust funds our centrally managed residential services for homeless and older people, as well as other centrally co-ordinated programmes such as our modern slavery services, Employment Plus service, and programmes for people with addictions and disabilities. Almost all government funding is accounted for in The Salvation Army Social Work Trust which has a separate charity registration and consequently a separate set of Report and Accounts which form a 'sister' publication to this. They are filed under charity registration number 215174 (England and Wales) and SCO37691 (Scotland).

A proportion of fundraised income in The Salvation Army Trust is granted to The Salvation Army Social Work Trust each year as part of the planned budgeting process, in line with our objects. This grant helps to meet the cost of the additional support we offer to our service users, on top of government and local authority funding. Our fundraising appeals to the public

feature the work of The Salvation Army across both trusts so there is absolute transparency that the funds donated go to support the work we illustrate in public appeals. The Gift Aid collected on behalf of The Salvation Army Trust is compliant with the HMRC requirements.

Corps-based (church) giving and local fundraising:

The UK Salvation Army has over 600 corps and community centres across the UK. Each corps or centre will develop programmes and services that are geared to meeting the needs of the people in the community, so there is huge diversity across the UK. Each local Salvation Army centre is expected to find ways to raise funds to support their local work as much as it can. This is achieved in several ways.

Church membership giving totalled £17.7 million in the year ended 31 March 2022/2023, an increase of £1.1m over 2021/2022. It is a substantial offering and this income from church members helps to sustain the local life of The Salvation Army as a church and meet as much of the operating overheads as it can.

In addition, **local fundraising by our corps (churches)** delivered approximately an additional £6m (public donations) which helps fund the practical support that is needed in the communities that The Salvation Army serves, examples of which are described in the narrative of this Report. Christmas carolling in town centres and street collecting are two of the familiar ways in which corps raise funds. Corps also frequently engage in digital forms of fundraising, using tools such as JustGiving.

Salvation Army church membership also actively engages in two main annual fundraising opportunities: the **Self-Denial Appeal** and the **Big Collection**.

The annual **Self-Denial Appeal** in February and March 2023 helps fund Salvation Army work in overseas territories. In 2023 the appeal raised £963k, on a par with what was raised in the previous year and a testament to the generosity, often sacrificial giving and determination of our members, officers and their families and friends.

The Salvation Army **Big Collection** is an annual public campaign in September, whereby church membership actively raises funds to support our Social Work Trust, supporting programmes for people experiencing homelessness, older people, and people needing help with addictions. Against a total of £503k raised in September 2021, in 2022 we almost matched that, raising a total of £498k, thus demonstrating the continued commitment and passion of our community.

National Fundraising:

Our centrally co-ordinated fundraising programme sensitively deploys many disciplines of fundraising in order to generate income for the work of The Salvation Army. Because the proportion of our donated income that derives from direct debits and regular giving schemes is small, at around 10 per cent of cash donations, the donations and legacies that are received during the financial year are the ongoing lifeblood of our organisation.

The funds raised from national fundraising programmes go directly in the form of grants and mission support funding to enable corps to work within their communities where there are insufficient funds locally. Funds raised also help meet the cost of refurbishing our buildings and emergency repairs to ensure they are compliant and fit for the delivery of community programmes. Funds raised will also form the annual grant across to The Salvation Army Social Work Trust to provide additional services for our work with people who are homeless, older people and people with addictions.

Appeals to the public:

Despite a challenging economic environment, we saw amazing generosity in 2022/23. We received a total of £71.6m in donations from the public. As noted above, approximately £6m was raised locally by individual Salvation Army corps, and the remainder, approximately £59.1m, was secured by national and centrally co-ordinated fundraising activities, summarised below. Furthermore, we received a total of £61m in legacies.

It was a difficult year for everyone, and so we are enormously grateful that our supporters and the general public continued to give so generously. Total public and supporter donations in response to our national appeals programme was £51.3m. Although this was a slight drop from the previous year, we are still hugely thankful. This total includes regular giving and Gift Aid income, but excludes the significant sums raised for our Ukraine crisis appeal.

The majority of our appeals raised more than expected, with many supporters giving higher value donations than they had previously. Our national Christmas Appeal remains a key moment across our activity, raising a total of £22.2m and recruiting over 50,000 new, contactable supporters.

In a year where the cost-of-living crisis has caused increased uncertainty and hardship for many, The Salvation Army is sincerely thankful to all those who have donated towards our ongoing work to support people in desperate need.

Legacies:

We remain extremely grateful to our supporters who remember us with a gift in their Will. This is a hugely important income stream in support of our work, and protecting and sensitively encouraging more people to take this valued step is an important task. Following changes that created a separate Legacy Fundraising Unit, we have increased our skills and experience and are investing to ensure we are in strong position to make the most of the growth in legacy giving over the next 25 years.

We received a total of £62.8m (£51.7m unrestricted and £11.1m restricted) in legacies, a decrease of £3.5m compared with legacy receipts in 2021/22. Tracking indicates that over 50 per cent of our legacies come from our existing supporters and the remainder from individuals who are not on our supporter database. Reaching and inspiring these supporters, as well as promoting our free Will writing services and how they can leave The Salvation Army a gift in their Will, is an important part of protecting this significant and stable future income stream. Understanding the motivations and barriers to leaving a gift and the characteristics of people who do so has been a focus of our work this year.

Almost £10m in future legacy income was pledged from activity in 2022-23. Inserts in targeted magazines were tested in June and February, when we also added press adverts, raising vital awareness and gaining new legacy supporters. Promotion online continued with a Facebook campaign in January promoting our free Will guide and we took part in Free Wills Month in October and March. Along with our other free Will writing services these raised our visibility to the wider public and secured 256 new legacy pledgers. In March we wrote to our donors asking them to consider leaving us a gift in their Will which resulted in almost 1,000 new legacy supporters. We take a sensitive and personal approach to enquiry handling and stewardship, ensuring we regularly show our appreciation for the commitment that has been made.

Grant-making trusts and foundations

Grant-making foundations and charitable trusts provide a vital contribution to many of our projects. We would like to express our sincere gratitude for their support. During 2022/23, we received over £1.9 million from charitable trusts and foundations in support of more than 245 local Salvation Army projects across the UK and internationally. The grants have contributed to the running costs of vital support projects including emergency food and fuel voucher provision in response to the cost-of-living crisis, debt advice, digital inclusion services and those supporting displaced Ukrainian citizens.

As an example, with a grant from one charitable trust, The Salvation Army was able to support 38 of our corps in the cost-of-living response. From food parcels, fuel vouchers, warm spaces and hot meals, we supported thousands of people across the UK who were struggling due to the dramatic increases in everyday items.

We are supporting families facing many issues, including those living in debt, survivors of domestic violence, people with mental health issues, refugee families and people who have no recourse to public funds.

Grants have also contributed towards the costs of renovating a building and outdoor space in Thorndale Family Centre, Belfast, using the principles of trauma-informed practice. The space is welcoming and calming and provides people with the time to reflect and share. The building also includes a fully equipped regulation (calm-down) room which is open for all children, young people and adults. This room is a safe place for people to go in times of high anxiety and stress where they can begin to self-regulate their emotions and deal with trauma.

Corporate giving:

2022/23 was a fruitful year for corporate fundraising. We received £50,000 from The Entertainer and £827,968 from Anglo American to support our emergency work in Ukraine. We also received a further £10,000 from The Entertainer to fund summer projects for children.

Christmas 2022 saw our fourth year of partnership with The Entertainer for the Big Toy Appeal. It achieved even greater success, reaching nearly 90,000 toys donated.

Finally, our Christmas Carol Concert provided an excellent opportunity to secure sponsorship from The Entertainer (£10,000), McLaren (£5,000) and Knox Cropper (£20,000) and a further £10,000 from Howdens to support our Christmas charity work.

We wish to offer our grateful thanks for the generous support of all our corporate partners.

Other fundraising: We continued to develop relationships with people who wanted to 'do something' to raise funds for The Salvation Army. We explored ways of supporting corps with their locally-based fundraising and we benefited from the increased contributions from supporters who participated in sporting challenges as well as those who chose to fundraise in their own way to raise funds for our work. Much of their contribution is channelled locally and we want to recognise their generous support.

Our Fundraising Approach

The ethos of our approach is that fundraising activities must reflect our values and should be carried out in a manner that the public and our supporters and funders would expect of The Salvation Army – sensitive, courteous, sincere and genuine.

We have an active fundraising presence in digital media and on our website and we regularly review our Privacy Notices and Privacy Statements to ensure we operate in compliance with GDPR.

We do not use professional fundraising agencies such as outbound telemarketing agencies or face-to-face/street fundraising agencies to fundraise on our behalf. Our public, street and house-to-house cash-collection fundraising operations are normally carried out by members and volunteers drawn from and connected with our congregations.

We do use an external agency to handle some inbound telephone donations in peak periods and to call back people who have contacted us to donate when we cannot handle such calls in-house by our own staff. This is usually at Christmas when call volumes are high. Call handling is monitored, and we set high standards for the way callers are spoken to and the training and support given to agency staff.

The term 'professional fundraiser' also encompasses supporters who participate in some challenge and mass participation fundraising events. These relationships are managed centrally with due diligence ensuring complete transparency in the agreement between The Salvation Army and the participant.

Fundraising Standards

We subscribe by annual levy to the Fundraising Regulator and thereby work to the standards of the Code of Fundraising Practice.

We are not aware of any failures to comply with the standards set by other regulatory bodies. We are members of the DMA – the Data and Marketing Association – and as members we are expected to uphold the highest levels of compliance and standards. We are corporate members of the Institute of Fundraising and fundraising managers are individual members.

Fundraising on our behalf

Where people or organisations offer to fundraise on behalf of The Salvation Army, we aim to ensure that a contract or agreement is in place and that the relationship, performance and delivery are overseen either locally or centrally.

Monitoring of Fundraising

We continually update and strengthen our internal processes and policies to ensure we have the highest ethical standards in accepting donations.

Salvation Army officers and corps treasurers will monitor fundraising carried out locally by members of the local congregation and by volunteers. Any donation in excess of £5,000 from a single source or related sources is reviewed and assessed by headquarters in line with our donations acceptance policy. Centrally we have a briefing and monitoring programme to assess the performance of our telephone bureau handling inbound donation calls and to ensure the quality of the calls meets our standards for sensitivity and kindness.

Trustees are briefed on the requirements of CC20 and how these requirements are being met as part of their duties in relation to fundraising.

Complaints

In the financial year under review, The Salvation Army received 40 complaints about our fundraising compared with a total of 58 complaints in 2021/2022. We strive to fundraise respectfully and believe the low number of complaints we receive each year reflects our sincere and sensitive approach to fundraising and how we communicate with our supporters and members of the public.

Any complaints we receive are handled in accordance with our Complaints Policy, which is based on the recommended standards set by the Fundraising Regulator. Our Policy is accessible on our website.

Protecting People in Vulnerable Circumstances

Within our fundraising ethos we take the protection of people in vulnerable circumstances very seriously. As a church and charity working locally and nationally with some of the most vulnerable and marginalised people in communities across the UK, and with a brand that is synonymous with kindness, sensitivity, sympathy, deep understanding and tolerance, we aim to fundraise in the most considerate ways we can and take appropriate action briskly when we are made aware of vulnerabilities. We have a specific Policy created in collaboration with our fundraising, supporter care and compliance teams to ensure we treat all our donors fairly, sensitively and respectfully. We provide dedicated training for our fundraising staff to ensure this Policy is understood and put into practice. Because we do not use external bodies or ‘professional fundraisers’ to fundraise on our behalf, we are very much in control of how fundraising appeals are carried out.

Our supporters and the charitable giving public generally make an essential, vital contribution to the life and work of The Salvation Army. The relationship we have with our supporters is precious to us. Therefore, the intentional spirit of our fundraising is based on what we feel it is fair, ethical and appropriate to ask for. Our behavioural values of integrity, accountability, compassion and respect are not only at the heart of our mission as a church and charity but are also the driving forces for the way in which we fundraise.

REVIEWING FINANCES

The Accounts have been prepared in accordance with the Charities SORP and Financial Reporting Standard 102 (FRS 102).

Our main sources of income are as follows:

	2023 £m	2022 £m
Legacies	62.8	66.3
Donations from the public	71.6	72.9
Donations from members	17.7	16.7
Grants	3.4	4.8
Trading income	106.3	95.1
Investment income	3.5	4.5
Other income	15.1	21.8
	280.4	282.0

Voluntary income

Voluntary income (including legacies, donations and grants from trusts and foundations) represents 55 per cent of our total income and we continue to be deeply and sincerely grateful to the individuals who have remembered us in their Wills, which is a crucially important, sustaining income stream. Donations from members represent the weekly or planned giving by soldiers and other members of The Salvation Army to their local Salvation Army corps (church).

Trading income

Trading income comprises:

- Corps trading activities, mainly charity shops (£12.6 million). Net trading income is £5.6 million, compared with net trading income of £4.3 million in 2022.
- Income of trading subsidiaries: The Salvation Army General Insurance Corporation (£20.4 million) and The Salvation Army Trading Company (£73.3 million). There has been an decrease in net trading income with a surplus of £5.6m down from a surplus of £7.6m.

Expenditure has increased from £226.7 million to £269.8 million.

	2023 £m	2022 £m
Cost of raising donations and legacies	15.6	13.6
Cost of trading activities	95.1	83.1
Total cost of raising funds	110.7	96.7
Charitable activities:		
Church and evangelism programmes	51.8	40.1
Community programmes	68.0	53.0
International programmes	7.2	4.6
Training programmes	7.1	5.3
Youth and young people's programmes	2.6	2.3
Grant to Social Work Trust	22.3	23.6
Total charitable activities	159.0	128.8
Financing activities	0.1	1.2
Total expenditure	269.8	226.7

Costs of raising donations and legacies

This represents the costs of our central Fundraising Department and the cost of our appeals and other costs associated with raising funds.

Church and Evangelism Programmes

This represents Christian worship and the teaching and promotion of the Christian message at our corps, regionally and nationally.

Community Programmes

Programmes organised by our corps to meet the needs of their local community are increasing in scale and diversity, and are described elsewhere in this Report.

International Programmes

This represents grants to The Salvation Army International Trust, overseas projects funded by the UK Territory and the costs of the International Development Unit.

Training Programmes

This represents the costs of William Booth College which trains people to become Salvation Army officers and runs education and learning programmes for employees and officers.

Youth and Young People's Programmes

This represents national programmes including The Salvation Army's work with young people and young adults.

Grant to The Salvation Army Social Work Trust

This represents the financial support provided to our social programmes for those in need. This includes work with the homeless, older people, unemployed people and victims of human trafficking.

Net income (2022: income), which includes loss on investments of £0.5 million (2022: £14.0 million gain), was £10.1 million (2022: £69.2 million income).

Total funds as at the year end were as follows:

	2023 £m	2022 £m
Endowment funds	15.2	16.4
Restricted funds:		
Property fund	356.8	344.3
Corps funds	53.7	52.2
Legacy reserves	80.6	76.8
Trust funds	2.3	2.4
Specific donations	14.1	15.4
	507.5	491.2
Unrestricted funds:		
Non-charitable trading funds	22.8	21.7
Designated funds	182.7	195.0
General reserve	57.6	51.4
	263.1	268.1
Total funds	785.8	775.7

Endowment Funds

The endowment funds are represented by investments in William Leech (Investments) Limited and in the Common Investment Funds and the movement is due to the overall decrease in market value of those investments. The capital value of the funds is retained but the income is applied to fund our work.

Restricted Funds

The property fund represents property assets owned by The Salvation Army for operational purposes and hence is not available for expenditure.

Corps funds represents funds generated by corps. These are restricted for use in their local area.

Other restricted reserves represent funds given by donors for specific purposes.

Unrestricted Funds

Non-charitable trading funds are profits retained in the subsidiary companies to provide working capital for their trading operations.

Designated funds are set aside by the directors for specific purposes, principally the acquisition of officers' quarters and major maintenance work on the property portfolio. Salvation Army officers (active and retired) are provided with accommodation. Funds have been set aside to enable the purchase of suitable properties as they are required. Funds have also been set aside to fund the work required on corps properties as part of our continuing planned maintenance rolling five-year programme. Funds are also designated to finance new Mission initiatives, contribute to Officers and Employees Pension Funds, fund Field Service Training and various approved standalone programmes. All designated reserves are reviewed annually for obsolescence with surpluses being transferred back to General reserves.

RESERVES POLICY

We rely on donations, legacies and grants to fund our activities. These can be uncertain and fluctuate from year to year. They represented 55 per cent of our total income for the year ended 31 March 2023. We need reserves to ensure that the operation of our church and community programmes can continue in the event of fluctuations in voluntary income and unexpected expenditure. We also want to be able to provide for the new and innovative opportunities that may appear to further the mission of The Salvation Army Trust.

The total value of funds held as at 31 March 2023 was £763m (2022: £754m). There are restricted reserves of £508m (2022: £491m), unrestricted reserves of £240m (2022: £246m), and endowment reserves of £15m (2022: £16m).

Unrestricted Funds

The unrestricted funds include both general reserves and designated funds. General reserves are utilised to fund the day-to-day needs of The Salvation Army. These were £57m as at 31 March 2023 (2022: £51m). The designated funds are unrestricted but set aside by the directors for specific purposes, £183m (2022: £195m).

General reserves at the year end were 57m which is above the target range of £29.9m to £49.2m. Like other charitable organisations, we are facing increased costs in delivering our missional activities and supporting vulnerable people within our society from high inflation as well as a challenging fundraising environment as the cost-of-living crisis continues to bite. A deficit budget is anticipated for 2023/24 which will result in a significantly lower general reserve. The trustee intends to review the reserves policy in 2023/24 taking account of the increasing internal and external risk factors.

INVESTING FOR THE FUTURE

The charity holds its investments in The Salvation Army Common Investment Funds. These funds were set up under Schedule 2 of The Salvation Army Act 1980 to act as common investment schemes for certain Salvation Army Trusts.

The Salvation Army Common Investment Fund (No 1) consists of permanent endowments which are restricted by the wishes of the donor. In most cases the income is to be used for restricted purposes. The Salvation Army Common Investment Fund (No 2) is operated for those Salvation Army Trusts without permanent endowments. Both funds are managed by The Salvation Army Trustee Company. Cazenove Capital Management manages CIF1 and 50 per cent of CIF2, whilst Sarasin & Partners LLP manage 50 per cent of CIF2.

The funds are subject to The Salvation Army Act 1980 and the following guidelines:

- the principal aim is to invest in a manner consistent with the promotion of the objects of The Salvation Army
- investments should be made on longer-term considerations rather than in the pursuit of short-term gains
- investments may be held in stocks, shares, debentures and other securities quoted on a recognised stock exchange, in government, municipal and public utility stocks and in bank deposit accounts
- investments may be made in collective investment schemes, including those holding real estate assets
- no direct investment may be made in unquoted securities in the UK or overseas
- there will be no investment in companies which derive a material amount of their revenues (% indicated) from the following activities:
 - the production of alcohol (5%)
 - the sale, together with any production, of alcohol (10%)
 - the production of tobacco (5%)
 - the sale, together with any production, of tobacco (10%)
 - the manufacture of whole weapons, weapon platforms and weapon systems (no minimum limit)
 - the manufacture or sale of strategic parts for weapons systems (10%)
 - the business of gambling or providing access to such businesses (5%)
 - the production of adult entertainment services or providing access to such services (1%)
 - the publication or wholesale of pornographic magazines or newspapers (1%)
- Investment managers are expected to exclude companies whose activities might reasonably be expected to increase poverty or act against the relief of poverty. The investment managers are required to monitor companies in the portfolios to ensure best practice in corporate governance, employment conditions and environmental sustainability.

The Funds' benchmark and ranges of distribution are as follows:

Asset Class	Benchmark	Range
	%	%
Equities:		
Global	100	+/-10
Bonds	0	+10
Cash	0	+10
	100	

The aims and objectives of the Common Investment Funds are as follows:

CIF1

Fund strategy is:

- to preserve the value of the Fund, adjusted for real inflation
- to maintain a steady annual income stream

The performance objective of the Fund is to achieve an annual total return which exceeds the composite benchmark below by at least 1.25 per cent per annum, gross of fees, measured over rolling three-year periods, commencing 1 January 2011.

Asset Class	Performance Benchmark
UK Equities	FTSE All-Share
Europe (ex-UK) Equities	FTSE All World Developed Europe (ex-UK)
Emerging Markets Equities	FTSE All World Emerging Markets
Asia Pacific Equities	FTSE All World Developed Asia Pacific
United States Equities	S&P 500
Property	IPD UK Property

CIF2

The Fund strategy is to aim for capital growth rather than income. The performance objective of the Fund, excluding cash and gilts under lien, is to achieve an annual total return which exceeds the composite benchmark below by at least 1.25 per cent per annum, gross of fees, measured over rolling three-year periods commencing 1 January 2011.

Asset Class	Performance Benchmark
UK Equities	FTSE All-Share
Europe (ex-UK) Equities	FTSE All World Developed Europe (ex-UK)
Emerging Markets Equities	FTSE All World Emerging Markets
Asia Pacific Equities	FTSE All World Developed Asia Pacific
United States Equities	S&P 500
Property	IPD UK Property
Cash and gilts under lien	FTSE Gilts under 5 years

Performance for the year compared to the benchmark was as follows:

	CIF1 %	CIF2 %
Annual total return (gross of fees)	4.0	1.1
Benchmark return	-2.6	-2.6

For the year to 31 March 2023, CIF 1 and CIF 2 overperformed in challenging circumstances compared to global market benchmark. The performance is being monitored on a regular basis through discussions with the respective investment fund managers.

In absolute terms the performance of the Common Investment Funds for the year was as follows:

	CIF1 2023 %	CIF1 2022 %	CIF1 2021 %	CIF2 2023 %	CIF2 2022 %	CIF2 2021 %
(Decrease)/Increase in capital value of fund	2.9	6.8	22.3	-0.1	17.1	25.5
Average net income return	0.5	0.4	0.5	0.7	0.7	0.8

STRUCTURE, GOVERNANCE AND MANAGEMENT

The United Kingdom and Ireland Territory is under the command of a Territorial Commander, appointed by The General and responsible to him/her for the day-to-day administration of Salvation Army work throughout the British Isles, including the Channel Islands, the Isle of Man and the Republic of Ireland.

The Salvation Army's assets in the United Kingdom are held by The Salvation Army Trustee Company (SATCo), a company limited by guarantee, registered in England (No 00259322) with its registered office at 1 Champion Park, London, SE5 8FJ. The governing document of The Salvation Army Trust is The Salvation Army Act 1980, as amended. Under Section 12(1)(a) SATCo is appointed as the sole ordinary trustee of the trusts listed in Schedule 5 to that Act.

The two main trusts under which The Salvation Army operates in the United Kingdom are:

- The Salvation Army Trust, whose accounts are contained in this Report; and
- The Salvation Army Social Work Trust, Charity Registration No 215174 in England and SC037691 in Scotland.

Connected Trusts

SATCo is the trustee of a number of connected charitable trusts which are concerned with specific aspects of the Army's work.

The Salvation Army Social Work Trust

Governing instrument: Deed Poll dated 30 January 1891 and a supplementary deed dated 26 March 1969. Charity registration No 215174 in England and SC037691 in Scotland.

The objects of The Salvation Army Social Work Trust are to promote the charitable work of The Salvation Army, as SATCo shall think fit, in one or more of the following ways:

- the relief of poverty, sickness, suffering, distress, incapacity or old age
- the advancement of education
- training in Christian and moral principles
- the assistance of those in need of protection

William Booth Memorial Trust

Governing instrument: Trust Deed dated 19 September 1921. Charity registration No 312882.

The purpose of this trust is the establishment, maintenance and operation of a college for the instruction and training of men and women for service as officers of The Salvation Army and others involved with or interested in the mission of The Salvation Army.

RISK MANAGEMENT

The Salvation Army identifies, assesses and manages risks that could impact its activities so it can better achieve its objectives, comply with relevant laws and regulations and safeguard its funds and assets.

The Board (SATCo) has ultimate responsibility for overseeing risk management, in accordance with Charity Commission guidance (CC26). The Risk Management Committee (RMC) directs an enterprise-wide risk management programme to inform decision making and ensure effective procedures to identify and evaluate risks and implement effective controls.

The RMC considers the most recent developments in the most significant risks, while also prioritising broader developments to The Salvation Army's approach to risk management. Current plans include promoting a deepening appreciation of the complexities of risk management within a wide-ranging structure, the importance of metrics to inform risk management and the implications of macro and global risks that may have consequences for the organisation.

Risk management operates through a top-down review by the RMC and bottom-up review by individual functions, enabling the identification and prioritisation of key and emerging risks. This enables site and service-specific concerns to be identified and managed, whilst retaining high-level oversight and assurance of the most significant risks facing the organisation. The RMC reports to the Board at least twice yearly on key risks. Through this risk management process the trustees have considered the major risks facing the organisation and satisfied themselves that controls are established to manage them.

Unfortunately, the nature of our work means that despite the steps we take, serious incidents can still arise, and we continue to place the utmost importance on reporting these to our regulators.

Principal risks

The Salvation Army's work is diverse, geographically spread across a broad range of settings and has a variety of beneficiaries. The risk landscape is therefore varied, and controls are deployed appropriately at different levels of the organisation. The following outline indicates the most significant risks to The Salvation Army in the reporting period, and some of the strategic level mitigations we have in place.

Principal Risks	Mitigation
Business Continuity – There is a risk that the occurrence of a significant incident where, during and after the incident, The Salvation Army will not be able to continue to be viable and meet stakeholder expectations.	Business continuity policies and procedures, including the application of ISO27001 for some parts of the organisation, prepare us for management of interruptions.
Cyber – The risk is that we fail to protect our information systems and the information they hold.	We deploy multiple measures to protect our systems and the information they hold. We work within an information security international standard (ISO27001) and build on lessons from our internal and external audits in this area.
Data Protection – The risk is that we fail to protect sensitive and personal data.	As well as our data protection/GDPR policies and training, we take steps to ensure that personal data is treated properly through appropriate security measures, staff training, the use of data protection impact assessments and contractual requirements with organisations we work with who process our personal data.
Financial Sustainability – The risk is that there is insufficient revenue income from donations and reserves to support our operating model resulting in the failure of The Salvation Army to thrive in a rapidly changing environment.	We continue to monitor the funding situation and adjust our financial planning and commitments accordingly to ensure we are financially resilient.
Healthy Corps and Centres – There is a risk that a variety of factors prohibit flourishing of our churches and centres.	We seek to understand how our corps (churches) and centres can thrive in a wider environment of falling church attendance. We are taking steps to establish and measure factors that contribute to healthy mission and provide close support to our corps officers in their daily work.
Safeguarding – The risk is that we fail to provide a safe environment, free from abuse, for everyone, including vulnerable beneficiaries.	We continue to maintain clear policies and procedures in relation to safeguarding and ensure the appropriate screening, training and supervision of personnel. A subcommittee of RMC – the Territorial Safeguarding Committee – oversees management of the risk.
Safe Mission – The risk is that we are not able to ensure the health, safety and welfare of personnel, service users and members of the public who are affected by our activities.	Comprehensive policies, procedures and guidance are in place, alongside a supervisory control framework. Two RMC subcommittees – the Safe Mission Council and the Sudden Deaths Review Group – inform the management of this risk.

SUBSIDIARY AND ASSOCIATED COMPANIES

The following companies are beneficially owned by The Salvation Army Trust (percentage held) and donate all or part of their profits to The Salvation Army Trust:

1. The Salvation Army Trading Company Limited (SATCoL) (100%)
2. The Salvation Army General Insurance Corporation Limited (SAGIC) (100%)

1. SATCoL is a wholly owned subsidiary of The Salvation Army Trust. Its main activity is the collection and sale of second-hand clothes donated by the public through both wholesale and retail activities in its 230 charity shops and donation centres, recycling and also the supply of Salvation Army publications, uniforms and other related materials.

2. SAGIC is a wholly owned subsidiary of The Salvation Army Trust and was formed in 1909. Its principal activity is transacting property insurance in the United Kingdom. SAGIC also provides home and contents insurance to officers, members and supporters of The Salvation Army as well as to the general public, either directly or through its broker network.

Connected Company

The Salvation Army Trust holds 20 per cent of the shares in William Leech (Investments) Limited

RECRUITMENT AND APPOINTMENT OF DIRECTORS (TRUSTEES)

There are 13 directors, 8 by virtue of their appointments within The Salvation Army. One director is a divisional leader responsible for one of The Salvation Army's 14 divisions.

The other five directors are non-executive directors each bringing expertise in a relevant field, as approved by The General – including property, finance, investments or social services. The appointment of non-executive directors is made by SATCo on the recommendation of the Nominations Committee.

Training and Induction of Directors

The Company Secretary briefs new directors on their legal responsibilities and familiarises them with the Company's governance folder (and previous Board minutes). This includes the articles of association of SATCo, the Charity Commission's essential trustee guidance, and other key documents and policies (including the Conflicts of Interest Policy). The Company Secretary regularly delivers a written governance update on relevant issues at board meetings. Directors are also informed of and provided with the opportunity to attend several training sessions throughout the year.

Organisational Structure and Decision Making

SATCo's board ('the Board') is assisted by an Audit Committee, a Nominations Committee, an Investment Advisory Committee and a Risk Management Committee. The Audit Committee comprises a non-executive director chair and three independent members with a remit to review The Salvation Army's internal and external audit arrangements and consider reports issued by internal and external auditors including the annual financial statements. The role of the Nominations Committee is to recommend new non-executive Board members. The Investment Advisory Committee includes three external advisers in its membership and advises on appropriate investments. The Risk Management Committee is referred to below under Risk Management.

The Board met bi-monthly, with some additional meetings scheduled as required in this reporting year. In addition to its oversight and governance role, the following matters require consideration and approval by the Board:

- annual budget
- individual items of expenditure of £5 million and above
- investment policy, on the recommendation of the Investment Advisory Committee
- Risk Register
- Key policies
- Annual Financial Statements

The Board has delegated day-to-day operational matters to the Territorial Operations Board, under the leadership of the Chief Secretary.

During the 2019/20 financial year, the Audit and Assurance Department reviewed SATCo's performance against the Charity Governance Code for larger charities. The review identified a number of areas in which SATCo was performing well and other areas for development. Another assessment has been requested by the Chairman of SATCo to take place in the 2023/24 financial year.

Directors' Responsibilities

The directors of SATCo are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of The Salvation Army Trust, and of the income and expenditure for that period. In preparing the financial statements, the directors are required to:

- select and consistently apply suitable accounting policies
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed
- observe the principles of the Charity SORP
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that The Salvation Army Trust will continue to operate

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of The Salvation Army Trust and are required to ensure the financial statements comply with The Salvation Army Act 1980, the Charities Act 2011 and The Charities and Trustees Investment (Scotland) Act 2005. They are also responsible for safeguarding the Trust's assets, taking reasonable steps to prevent and detect fraud and other irregularities.

The directors confirm they have regard to the Charity Commission's guidance on public benefit that is relevant to The Salvation Army Trust.

Remuneration of Key Management

Key management personnel of The Salvation Army comprise Salvation Army officers and employees. Salvation Army officers do not receive a salary; they receive an allowance based on length of service and seniority of position, and as ministers of religion are provided with furnished accommodation and a motor vehicle. The allowances received by officers in positions of key management range from £19,377.96 to £25,471.57 per annum.

Further information is disclosed in Notes 10 and 11 to the Accounts.

For employees, we are committed to ensuring a proper balance between paying salaries which will enable us to attract and retain staff of the appropriate calibre and careful stewardship of charitable funds. All senior salaries are benchmarked against senior staff salaries of comparable organisations in the not-for-profit sector.

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke at the end.

On behalf of the Directors of The Salvation Army Trustee Company
15 December 2023

DIRECTORS

The current directors of The Salvation Army Trustee Company and those who held office during the financial year are as follows:

Commissioner Anthony Cotterill	Chair
Colonel Paul Main	Deputy Chair
Colonel Jenine Main	
Lieut-Colonel Alan Read	Managing Director
Lieut-Colonel Andrew McCombe	
Lieut-Colonel Beverley McCombe	
Lieut-Colonel Dean Pallant	
Lieut-Colonel Judith Payne	
Major Mark Herbert	(appointed 10.02.23)
Major Noreen Batt.....	(until 18.11.22)
Major Judith Hilditch.....	(until 30.04.23)
Helen O'Brien	
Philip Edwards	(appointed 09.09.22)
Mark Puller	(until 12.05.23)
Peter Gale	
Andrew Stickland	

The Chief Secretary, Colonel Paul Main, is responsible for the day-to-day management of the charity.

Committee Members (current)

Territorial Operations Board

Colonel Paul Main (Chair), Commissioner Gillian Cotterill, Major Jane Cowell, Tony Daniels, Major David Shakespeare, Miguel Fiallos, Peter Grant, Major Paul Kingscott, Major Mike Lloyd-Jones, Mitch Menagh, Alex O'Hara, Major Julian Watchorn, Major Richard Waters, Julius Wolff-Ingham, Nick Redmore

Audit Committee

Andrew Stickland (Chair), Stephen Bright, Hannah Greenfield, Mike Grills

Investment Advisory Committee

Peter Gale (Chair), Mark Colton, William Dalziel, Mary Haly, Lieut-Colonel Alan Read, Philip Rotherham

Nominations Committee

Commissioner Anthony Cotterill, Colonel Paul Main, Lieut-Colonel Alan Read, Elliot Thomas, Helen O'Brien

Risk Management Committee

Helen O'Brien (Chair), Major Kerry Coke, Lieut-Colonel Andrew McCombe, Lieut-Colonel Beverley McCombe, Lieut-Colonel Dean Pallant, Lieut-Colonel Alan Read, Elliot Thomas, Daniel Wills, Major Julian Watchorn, Julius Wolff-Ingham, Major David Shakespeare, Lynette Sturgeon

Company Secretary

Elliot Thomas is Company Secretary of The Salvation Army Trustee Company.

ADVISERS

Bankers

Reliance Bank Limited, Faith House, 23/24 Lovat Lane, London EC3R 8EB

Auditors

Knox Cropper LLP, Chartered Accountants, 65 Leadenhall Street, London EC3A 2AD

Solicitors

England and Wales: Slaughter and May, 1 Bunhill Row, London EC1Y 8YY

Scotland: Blackadders, 5 Rutland Square, Edinburgh EH1 2AX

Investment Advisers

BWCI Consulting Limited, PO Box 68, Albert House, South Esplanade, St Peter Port, Guernsey GY1 3BY

Investment Managers

Cazenove Capital Management, 12 Moorgate, London EC2R 6DA

Sarasin & Partners LLP, Juxon House, 100 St Paul's Churchyard, London EC4M 8BU

Legal & General Investment Ltd, One Coleman Street, London, EC2R 5AA

Independent Auditors Report to the Salvation Army Trustee Company, the Managing Trustee

Opinion

We have audited the consolidated financial statements of The Salvation Army Trust for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Balance Sheets, the Consolidated Statement of Cash Flows and the related notes. 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:

- (a) give a true and fair view of the state of The Salvation Army Trust and parent charity's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, for the year then ended;
- (b) have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland';
- (c) comply with the requirements of the OfS's accounts direction; and
- (d) have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustees Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

In our opinion:

- funds from whatever source, administered by the charity for specific purposes, have been properly applied to those purposes and managed in accordance with relevant legislation.

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The trustee is responsible for the other information.

Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 and the Charity Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustee

As explained more fully in the trustee's responsibilities statement, the trustee is 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 trustee determines 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 trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144(1) of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

- The Charity is required to comply with charity law and, based on our knowledge of its activities, we identified that the legal requirement to comply with charity law including accurately accounting for restricted funds was of key significance.
- We gained an understanding of how the Charity complied with its legal and regulatory framework, including the requirement to properly account for restricted funds, through discussions with management and a review of the documented policies, procedures and controls.
- The audit team, which is experienced in the audit of charities, considered the Charity's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override.
- Our approach was to check for compliance with charity law and tax legislation applicable for charities and to ensure that all restricted income was properly identified and separately accounted for. This included reviewing journal adjustments and unusual transactions.

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

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken, so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report or for the opinions we have formed.

65 Leadenhall Street
London EC3A 2AD



Knox Cropper LLP
Chartered Accountants
Statutory Auditors

Knox Cropper LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

The Salvation Army Trust

Financial Statements

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Endowment £000	Restricted £000	Unrestricted £000	2023 Total £000	2022 Total £000
INCOME AND ENDOWMENTS FROM						
Donations, Legacies and Grants						
Legacies		-	11,101	51,652	62,753	66,278
Donations – Public		-	11,383	60,179	71,562	72,949
Donations – Members	2	-	17,586	142	17,728	16,617
Grants	3	251	3,047	86	3,384	4,759
Trading Activities	4	-	12,644	93,659	106,303	95,099
Investments	5	-	1,121	2,433	3,554	3,444
Other						
Gain on property disposal		-	3,281	9,400	12,681	20,817
Other income		-	2,448	-	2,448	1,991
Total Income		251	62,611	217,551	280,413	281,954
EXPENDITURE						
Raising Funds						
Costs of raising donations, legacies and grants		-	53	15,528	15,581	13,612
Costs of trading activities	4	-	7,023	88,057	95,080	83,121
		-	7,076	103,585	110,661	96,733
Charitable Activities						
	7					
Church and Evangelism Programmes		-	25,974	25,847	51,821	40,133
Community Programmes		-	38,987	29,038	68,025	53,005
International Programmes		-	4,067	3,119	7,186	4,551
Training Programmes		-	19	7,090	7,109	5,270
Youth and Young People's Programmes		-	-	2,585	2,585	2,337
Grant to The Salvation Army Social Work Trust		-	-	22,373	22,373	23,547
		-	69,047	90,052	159,099	128,843
Financing Costs						
	17	-	-	48	48	1,169
		-	-	48	48	1,169
Total Expenditure		-	76,123	193,685	269,808	226,745
Gains/(Losses) on Investments	16(a)	(1,358)	(4)	885	(477)	13,986
Net Income/(Expenditure)		(1,107)	(13,516)	24,751	10,128	69,195
Transfer between funds	21/22	-	29,810	(29,810)	-	-
NET MOVEMENT IN FUNDS		(1,107)	16,294	(5,059)	10,128	69,195
Fund balances brought forward		16,345	491,220	268,111	775,676	706,481
Fund balances carried forward at 31 March 2023		15,238	507,514	263,052	785,804	775,676

All activities reported above, in both the current and preceding years, reflect ongoing activities.
The annexed notes form part of these financial statements.

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2023

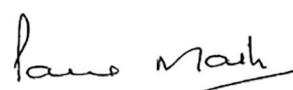
		Consolidated		Trust	
	Notes	2023 £000	2022 £000	2023 £000	2022 £000
FIXED ASSETS					
Intangible Fixed Assets	13	152	312	-	-
Tangible Fixed Assets					
Properties	14	315,858	309,613	310,384	303,817
Property Schemes in Progress	14	69,189	39,373	69,189	39,373
Motor Vehicles and Equipment	15	16,642	9,955	4,151	2,220
Investments	16	249,800	249,739	253,084	252,723
		651,641	608,992	636,808	598,133
CURRENT ASSETS					
Short-Term Deposits		61,552	72,128	61,552	72,128
Stock		1,938	2,134	209	204
Debtors	17	44,968	60,354	40,871	48,258
Bank Balances and Cash		69,276	76,613	51,711	58,805
		177,734	211,229	154,343	179,395
CREDITORS: amounts falling due within one year	18	(43,182)	(44,084)	(27,758)	(23,105)
NET CURRENT ASSETS		134,552	167,145	126,585	156,290
TOTAL ASSETS LESS CURRENT LIABILITIES		786,193	776,137	763,393	754,423
CREDITORS: amounts falling due after one year	19	(389)	(461)	(389)	(461)
TOTAL NET ASSETS		785,804	775,676	763,004	753,962
FUNDS					
Endowment Funds	20	15,238	16,345	15,238	16,345
Restricted Funds					
Property Fund	21	356,789	344,331	356,789	344,331
Other Restricted Funds	22	150,725	146,889	150,725	146,889
Unrestricted Funds	23	263,052	268,111	240,252	246,397
TOTAL FUNDS	24	785,804	775,676	763,004	753,962

Approved on behalf of The Salvation Army Trustee Company on 15 December 2023.

The annexed notes form part of these financial statements.



Lieut-Colonel Alan Read
Director



Colonel Paul Main
Director

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £000	2022 £000
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	28	21,297	38,005
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES			
Additions to Properties		(17,811)	(8,617)
Net Additions to Property Schemes in Progress		(33,130)	(16,680)
Proceeds on disposal of Properties		18,336	30,558
Additions to Motor Vehicles and Equipment		(9,671)	(3,706)
Proceeds on disposal of Motor Vehicles and Equipment		32	9
Additions to Investments		(789)	(30,474)
Proceeds from disposal of Investments		359	4
Investment Income		3,554	4,491
Management of short-term deposits		10,576	(10,099)
		(28,544)	(34,514)
NET CASH (OUTFLOW) FROM FINANCING ACTIVITIES			
Loan Repayments		(90)	(52)
Increase/(Decrease) in Cash and Cash Equivalents		(7,337)	3,439
Cash and Cash Equivalents at beginning of year		76,613	73,174
Cash and Cash Equivalents at end of year		69,276	76,613

	Balance 1 April 2022 £000	Cash-Flows £000	Loan Repayments £000	Balance 31 March 2023 £000
ANALYSIS OF CHANGES IN NET DEBT				
Cash at Bank	76,613	(7,337)	-	69,276
Loans falling due within one year	(46)	-	18	(28)
Loans falling due after more than one year	(461)	-	72	(389)
	76,106	(7,337)	90	68,859

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements and which have been consistently applied are set out as follows:

(a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, subject to the inclusion of investments at market value and donated properties at valuation on acquisition and, are in accordance with the Charities SORP (FRS 102) (second edition – October 2019), Financial Reporting Standard 102, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the regulations issued thereunder.

The Salvation Army Trust is a public benefit entity as defined by FRS 102.

Through careful stewardship, monitoring of budgets and reforecasting, the Salvation Army Trust has returned a surplus at the Year End 31 March 2023.

Going Concern

In preparing these financial statements the trustee has considered whether the charity has adequate financial resources to settle its debts as they fall due and can manage business risks. In reaching its decision, the trustee has considered the planning processes including financial projections, and the consideration of the prevailing economic climate and its potential impact on the various income streams and planned expenditure.

Despite cost-of-living challenges, the Salvation Army Trust income remained at the level of the previous year with good trading activity performance and overall donations on a par. Expenditure due to increased programme and costs rose substantially over the previous year; however, there was a small increase in overall funds.

The General Reserve is in excess of the upper end of the reserves target which the trustee considers appropriate given the increased demand on funds in the current year following a move to pay the Real Living Wage, significant investment in fundraising and IT, together with high inflation and increased cost of utilities.

In 2024/25 the primary focus upon financial sustainability will take precedence as income continues to be under pressure whilst operational demands continue and the economic environment drive costs upwards.

On the basis of the above, the trustee has concluded that there is no material uncertainty about the Trust's ability to meet its debts as they fall due for at least 12 months following approval of the financial statements and therefore continues to adopt the going concern basis in preparing its financial statements.

(b) Consolidation

The financial statements aggregate the results of the corps which, for the purposes of compliance with the Statement of Recommended Practice, are considered to be branches, and the results of the subsidiary companies, and of the subsidiary trust (William Booth Memorial Trust).

(c) Key judgements and estimates used in preparing these financial statements

(i) Financial instrument classification

The classification of financial instruments as 'basic' or 'other' requires judgement as to whether all applicable conditions are met. This includes a review of the form of the instrument and its return. All financial instruments, including loans, are currently classified as 'basic'.

(ii) Capitalisation of property improvement and development

Property improvement and development schemes are reviewed to ascertain whether expenditure should be capitalised or charged to the Statement of Financial Activities. Expenditure which enhances the social use of the property or improves its economic return is capitalised. Expenditure which repairs a property and brings it back to its original condition is written off.

(iii) Useful lives of properties and other fixed assets

The useful lives of properties and other fixed assets are reviewed at each reporting date and depreciation rates for asset categories adjusted accordingly if required.

(iv) Pension obligations

The provision for contributions payable in respect of past service deficits on the Trust's defined benefit pension scheme is calculated by the appointed actuary taking into account assumptions relating to the discount rate, inflation and increases in salaries and allowances.

(v) Identification and valuation of investment properties

The Group's property portfolio is reviewed annually to identify investment properties, which are those properties held to earn income or for capital appreciation rather than to be used for its charitable purposes. Properties no longer used for charitable purposes but retained until market conditions allow their disposal are not treated as investment properties, provided disposal is intended within a two-year window.

After initial recognition, investment property is measured at its fair value based either on valuation by The Salvation Army Property Department or by an independent valuer. In either case the valuer will hold a recognised and relevant professional qualification. The property will be valued at each subsequent reporting date.

(vi) Provisions in the insurance subsidiary company

Judgements and estimates are made in calculating the insurance technical provisions which are based on claims and premium trends from the previous year, in compliance with FRS 103.

(d) Income

- (i) Donations and Legacies – Donations are accounted for when received. No amounts are included in the financial statements for services by volunteers. Gift Aid receivable is included as income when the donation is made and where there is valid Gift Aid declaration from the donor.

Legacies income is recognised when it satisfies the following criteria:

- a) There is sufficient evidence of a legacy having been left to the organisation based on probate having been granted before the year end;
 - b) For pecuniary legacy interests, notification has been received from the executor. For residuary legacy interests, the Trust has received the confirmation of sufficient assets in the estate, in the form of either an assets and liabilities statements or estate accounts and there is no material known outstanding disputes. For all other types of legacy interests, the Trust has a reasonable estimate of the amount due. In each case this information is notified to the Trust by the date of signing the accounts;
 - c) Where a legacy is subject to the interest of a life tenant, the income will not be recognised until the death of the life tenant; and
 - d) Measurement of legacy income is exposed to inherent uncertainties represented by property and other investments whose value is subject to market fluctuations until realised. The Trust recognises this by using the latest available estate valuation information and allowing fluctuations with a provision against income of 10% per estate, based on historic trends.
- (ii) Investment Income – Dividends and interest are brought into account gross in the year for which they are received or receivable.
- (iii) Grants receivable are recognised on an accruals basis. Grants received in advance of entitlement conditions being met are deferred on the balance sheet. If amounts are receivable for specific purposes, the income is shown as restricted.
- (iv) Profits and losses on disposal of assets are reflected in the Statement of Financial Activities in the year of disposal.
- (v) Trading Income – Trading income is recognised at the point of sale for retail sales and at the time of distribution for wholesale unsorted clothing. Trading income also includes insurance income and Gift Aid through the shops.
- (vi) Premium income of the insurance subsidiary is recognised by reference to the period over which the premium is earned. Unearned premiums represent the proportion of premiums written in the year that relate to the unexpired terms of the policies in force at the balance sheet date, calculated on a time apportionment basis.
- (vii) Funds raised by local corps, including trading income, are deemed to be restricted for use in the local area, as the expectation of local donors is for monies to be used to fund local communities.

(e) Expenditure

Expenditure is charged on the accruals basis.

(i) Irrecoverable Value Added Tax is charged to the related expenditure.

(ii) Expenditure

- Costs of raising donations, legacies and grants consist of direct campaign appeal expenses and the running costs of the Fundraising Department.
- Cost of trading activities consists of cost of sales, distribution and operational costs and the claims costs of the insurance subsidiary.
- Charitable Activities consists of all expenditure relating to the objects of the charity including the costs of supporting charitable activities and projects.

Support costs, including governance, have been apportioned to each category of expenditure: number of Full Time Equivalent, equipment per headcount, transactions and buildings per cost centre.

- (iii) The non-capital element of property schemes is written off in the year of completion, and a provision is made annually for schemes in progress. The capital element of such schemes not completed at the year-end is carried forward in the Balance Sheet under the heading of Property Schemes in Progress and is accounted for as a fixed asset.
- (iv) Retired Officers Allowance Fund – This is a multi-employer charitable fund which operates in a similar way to a defined benefit pension fund. The assets and constructive liabilities cannot be separately identified and therefore the amount charged in the Statement of Financial Activities represents the contribution payable during the year in respect of current service and the total contributions payable (or movement in provision thereof) in respect of past service.
- (v) Employees Pension Fund – This is a multi-employer pension fund where the assets and liabilities cannot be separately identified and therefore the amount charged in the Statement of Financial Activities represents the contribution payable during the year in respect of current service and the total contributions payable (or movement in provision thereof) in respect of past service. The actuarial valuation is done on a three-year cycle, and each year we designate an amount of money to meet the deficit at the end of the cycle.
- (vi) The claims costs of the insurance subsidiary comprise claims paid in the period and the change in provisions for outstanding claims, including provisions for claims incurred but not reported. A separate estimate is made for the amounts that will be recoverable from reinsurers based on the gross provisions, having due regard to collectability.

(f) Fixed Assets

- (i) Expenditure on the acquisition or improvement of property is reflected as a fixed asset, whereas costs of repairs and renewals to property are charged to the Statement of Financial Activities.
- (ii) Expenditure on the acquisition of vehicles is capitalised and expenditure on computer equipment and other office equipment which exceeds £15,000 in value (individually or for groups of related assets) is capitalised and depreciated over its economic life.
- (iii) In accordance with FRS 102 component accounting has been adopted for freehold and long leasehold properties. A property comprises of major components with substantially different useful lives. Depreciation is charged on major components so as to write off the cost of the components to their residual values, over their estimated useful lives, using the straight-line method, as follows

Freehold Land	Not depreciated
Property Schemes In Progress	Not depreciated
Building – Main Fabric (structure)	50 years

Major Components

Roof structure and covering	50 years
Bathrooms and WCs	20 years
Lifts	25 years
Mechanical and Electrical Systems	25 years
Windows and External Doors	25 years
Kitchens	20 years

Short leasehold properties are depreciated over the term of the lease.

- (iv) Depreciation is provided on other tangible fixed assets at the following rates:
 - Motor Vehicles - 25% pa on cost
 - Office Equipment - 25% pa on cost
- (v) Goodwill arising on acquisition is amortised on a straight-line basis over the estimated useful life which has been estimated to be 10 years.
- (vi) Other intangible assets consist of patents and trademarks and are being amortised over their estimated useful life of 5 years.

(g) Investments

To comply with the Statement of Recommended Practice investments are included at market value (bid price). Unlisted investments are valued at the share of underlying net assets which equates to fair value. Investment properties have been valued by an internal property surveyor. Residential investment properties have been valued by reference to recent sales of similar properties in the area. Commercial investment properties have been valued by reference to their current rental income.

(h) Stocks

- (i) Stocks are valued at the lower of cost and net realisable value.
- (ii) The stock does not include any donated goods.

(i) Funds

- (i) The Property Fund represents monies already expended on the acquisition, construction and improvement of freehold and leasehold properties. Unrestricted designated funds which are applied for property purposes are categorised as restricted giving rise to a transfer during the year.
- (ii) The Endowment Funds are held for restricted purposes, where the income only is available to be used in accordance with the wishes of the donors.
- (iii) The Restricted Funds are held for restricted purposes, as specified by the donors.
- (iv) The Unrestricted Funds include: Designated Reserves held for particular purposes designated by the trustee in the exercise of its discretionary powers and General Reserve representing the net assets not designated for specific purposes.

2. MEMBERS' DONATIONS

This represents Salvationists' personal giving to support their local corps (church) and the work of The Salvation Army.

3. GRANTS RECEIVABLE

	Endowments	Restricted	Unrestricted	2023 Total	2022 Total
	£000	£000	£000	£000	£000
Government Grants Covid-19	-	-	12	12	539
Local Authority (incl Covid grants)	-	1,507	-	1,507	2,072
Trusts	251	1,540	74	1,865	2,148
	251	3,047	86	3,384	4,759

Local authority restricted grants include Covid-19 grants to support corps. This can be split further by government grants of £844k (2022: £944k), local authority grants of £452k (2022: £953k) and other grants of £211k (2022: £175k).

4. TRADING INCOME AND EXPENDITURE

	2023 £000	2022 £000
Local corps charity shops and other trading activities		
Income	12,644	10,442
Expenditure	(7,023)	(6,101)
	<u>5,621</u>	<u>4,341</u>

Funds generated by corps are retained by the corps for use in the local area and are regarded as restricted for that geographical region.

Trading Subsidiaries

Income (Note 6)	93,659	84,657
Expenditure (Note 6)	(88,057)	(77,020)
	<u>5,602</u>	<u>7,637</u>

5. INVESTMENT INCOME

	2023 £000	2022 £000
Dividends receivable	1,464	1,464
Interest receivable	1,105	114
Rental income from investment properties	402	197
Income from connected company	512	1,636
Investment Income of subsidiary companies (Note 6)	71	33
	<u>3,554</u>	<u>3,444</u>

6. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARIES

The Salvation Army Trust has two wholly owned trading subsidiaries which are incorporated in the UK. The Salvation Army General Insurance Corporation Limited (SAGIC) transacts insurance business, mainly property insurance. The Salvation Army Trading Company Limited (SATCoL) deals with the collection and recycling of second-hand clothing donated by the general public and is engaged in publishing and the supply of Salvationist materials. Both companies make a qualifying donation of part of their profits to The Salvation Army Trust. Where profits are retained, it is for working capital needs and capital for the long-term development of the business. A summary of the trading results of the subsidiary companies for the year ended 31 March 2023 is shown below. Audited accounts of the companies have been filed with the Registrar of Companies.

	SAGIC	SATCoL	2023 Total	2022 Total
	£000	£000	£000	£000
Profit and Loss Account				
Trading Income	20,371	73,288	93,659	84,657
Cost of Trading Activities:				
Cost of Sales	(20,203)	(37,726)	(57,929)	(51,454)
Distribution Costs	-	(3,403)	(3,403)	(2,558)
Operating Costs	(468)	(26,428)	(26,896)	(22,960)
Other Income/(Costs) Including Taxation	53	118	171	23
Total cost of Trading Activities	(20,618)	(67,439)	(88,057)	(76,949)
Covid-19 Grant Income	-	12	12	539
Investment Income	71	176	247	51
Net Profit	(176)	6,037	5,861	8,228
Realised Losses on Investments	(30)	-	(30)	(21)
Unrealised Gains on Investments	(26)	-	(26)	(59)
Net Income for the year	(232)	6,037	(5,805)	8,148
Donation to The Salvation Army Trust	-	(4,788)	(4,788)	(6,060)
Retained in Subsidiary	(232)	1,249	1,017	2,088

7. CHARITABLE ACTIVITIES

	Direct Costs	Grants	Support Costs (Note 8)	2023 Total
	£000	£000	£000	£000
Church and Evangelism Programmes	38,081	-	13,740	51,821
Community Programmes	51,581	-	16,444	68,025
International Programmes	2,204	4,783	199	7,186
Training Programmes	5,435	-	1,674	7,109
Youth and Young People Programmes	849	-	1,736	2,585
Grant to Salvation Army Social Work Trust	-	22,373	-	22,373
	98,150	27,156	33,793	159,099

31 March 2022 Charitable Activities

	Direct Costs	Grants	Support Costs (Note 8)	2022 Total
	£000	£000	£000	£000
Church and Evangelism Programmes	28,175	-	11,958	40,133
Community Programmes	38,488	-	14,518	53,006
International Programmes	2,072	2,301	177	4,550
Training Programmes	3,763	-	1,507	5,270
Youth and Young People Programmes	697	-	1,640	2,337
Grant to Salvation Army Social Work Trust	-	23,547	-	23,547
	73,195	25,848	29,800	128,843

Church and Evangelism Programmes comprise Christian worship, teaching and promotion of the Christian message at corps, regional and national events.

Community Programmes are organised by our corps to meet the needs of their local communities. The programmes offered are available to all and include activities for children, young people, families and older people as well as assistance for those in need.

International Programmes comprise support to the work of The Salvation Army worldwide. This includes grants paid to The Salvation Army International Trust and to overseas Salvation Army territories for projects to alleviate poverty in local communities.

Training Programmes represent the cost of William Booth College which trains people to become Salvation Army officers and provides learning and development opportunities for employees and officers.

Youth and Young People Programmes represent the cost of work within The Salvation Army for young people and adults aged 12-25, and other nationally organised programmes.

Grant to The Salvation Army Social Work Trust comprises grants payable to support the running of Salvation Army Lifehouses, care homes and other programmes and other costs incurred in supporting social programmes.

Support Costs represent centrally supplied services.

8. SUPPORT COSTS

	Finance £000	HR £000	IT £000	Property £000	Communi- cation £000	Other £000	Legal & Secretarial £000	2023 Total £000	2022 Total £000
Fundraising	74	39	81	88	113	45	11	451	403
Church & Evangelism									
Programmes	1,864	1,991	3,022	2,592	2,851	1,148	272	13,740	11,957
Community									
Programmes	2,425	2,151	3,217	3,099	3,710	1,488	354	16,444	14,518
International									
Programmes	30	20	40	39	48	19	4	200	178
Training Programmes	283	137	283	326	432	172	41	1,674	1,507
Youth & Young									
People Programmes	388	42	88	332	594	234	57	1,735	1,640
	5,064	4,380	6,731	6,476	7,748	3,106	739	34,244	30,203
Total 2022	4,356	3,537	5,279	4,626	4,426	3,960	4,019	-	30,203

An analysis of governance costs included above, is set out in Note 9 below.

Fundraising support costs of £451k (2022: £403k) are included within this note but not within the support costs column presented in Note 7 as these costs are not included within Charitable Activities.

9. GOVERNANCE COSTS

(a) Absorbed within support costs were the following governance costs:

	2023 £000	2022 £000
External audit	119	116
Internal audit	489	301
Trustee expenses	-	-
Support costs allocated:		
Trustee indemnity insurance	32	28
Apportionment of directors' time	125	107
	766	552

(b) Group Auditor's Remuneration

	2023 £000	2022 £000
Audit of Charity	95	93
Audit of Subsidiaries	35	34
Total Audit	130	127
Audit Related Assurance Services	9	9
Non-Audit Accountancy Services	8	15
Total Fees	147	151

10. PERSONNEL

The average number of officers and employees and full-time equivalent (FTE) officers and employees was:

	2023 Headcount Number	2023 FTE Number	2022 Headcount Number	2022 FTE Number
Trust				
Number of Officers	832	705	880	745
Number of Employees	1,482	1,018	1,189	996
	2,314	1,723	2,069	1,741
Subsidiaries	1,012	752	943	701
Total	3,326	2,475	3,012	2,442

	Trust £000	Subsidiaries £000	2023 Total £000	2022 Total £000
Personnel Costs				
Allowances and Salaries	59,191	25,093	84,284	74,263
Redundancy Costs	182	-	182	257
Social Security Costs	5,401	2,131	7,532	6,325
Pension Fund Contributions (Current Service)	14,196	1,781	15,977	11,065
Retired Officers Allowance Fund Contributions (Past Service)	4,690	-	4,690	(26)
	83,660	29,005	112,665	91,884

Higher Paid Employees

The number of employees whose emoluments amounted to over £60,000 in the year was as follows:

	Trust No.	Subsidiaries No.	2023 Total No.	2022 Total No.
£60,001 – £70,000	34	-	34	27
£70,001 – £80,000	11	-	11	6
£80,001 – £90,000	2	-	2	3
£90,001 – £100,000	4	-	4	5
£100,001 – £110,000	3	2	5	5
£110,001 – £120,000	3	1	4	1
£120,001 – £130,000	-	1	1	-
£130,001 – £140,000	-	-	-	-
£140,001 – £150,000	-	-	-	2
£150,001 – £160,000	-	2	2	1
£160,001 – £170,000	-	-	-	1
£170,001 – £180,000	-	1	1	1
	57	7	64	51

Head of Provider Remuneration

The Head of the Provider (The William Booth College) is the Territorial Commander of The Salvation Army UK Territory with the Republic of Ireland and Chairman of the Salvation Army Trustee Company (SATCo). His remuneration in the current and previous year was as follows:

	2023	2022
Basic Allowance	12,984	12,240
Additional Allowances	9,248	8,679
Taxable Benefit	3,240	3,709
Total	25,472	24,628

In addition, in common with all Salvation Army serving officers, the Territorial Commander is provided with furnished accommodation. Salvation Army officers do not participate in a formal pension scheme but are members of The Salvation Army Retired Officers Allowance Fund which pays allowances on retirement, the amount of which is not guaranteed.

The salary of the Head of Provider is 0.84 times the median full-time equivalent salary of the Trust's officers and employees.

Key Management Personnel

The key management personnel of the Trust are those persons having authority and responsibility for planning, directing and controlling the activities of the Trust, directly or indirectly, including the directors of the Salvation Army Trustee Company as the Corporate Trustee of the Trust. The Trustee considers the key management personnel of the Trust to be the executive directors (officers and employees) of the Board. The total aggregate emoluments including pension contributions paid to key management personnel during the year was £238,766 (2022: £200,942).

11. TRUSTEES

(a) Emoluments:

The directors of The Salvation Army Trustee Company comprise Salvation Army officers and other external directors with specialist expertise. All active Salvation Army officers receive an allowance based on length of service and, as ministers of religion, are provided with furnished accommodation and a motor vehicle. The allowances received by the officers serving as directors ranged from £19,377.96 to £25,471.57 per annum and they did not receive any additional remuneration for their duties as directors. In addition to this the relatives of some Salvation Army officers are employed by The Salvation Army and are paid in accordance with the normal scale rates for the roles they perform.

(b) Expenses

No (2022: no) directors of The Salvation Army Trustee Company were reimbursed for travelling expenses, amounting to £0 (2022: £0).

12. PENSION AND SIMILAR COSTS

The Salvation Army Trust contributes to three pension or similar schemes in respect of its staff:

- (i) The Salvation Army Retired Officers Allowance Fund relating to Salvation Army officers;
- (ii) The Salvation Army Employees Pension Fund for other staff;
- (iii) A defined contribution scheme set up to offer employees who are not members of The Salvation Army Employees Pension Fund the opportunity to join a pension scheme following the closure of the Employee Pension Scheme to new members with effect from 31 December 2011.

Amounts charged in respect of pension fund contributions for the year are disclosed in Note 10 above.

(a) SALVATION ARMY RETIRED OFFICERS ALLOWANCE FUND

The Salvation Army Retired Officers Allowance Fund was established by The Salvation Army Act 1963 under the legal name, The Salvation Army Officers Pension Fund. It is a registered charity and operates on the same basis as a defined benefit scheme, but the benefits are not guaranteed. It is non-contributory by the officer, but a contribution currently equivalent to £5,498 (2022: £4,870) per officer, per annum, is made by The Salvation Army. Officers in both principal Trusts (The Salvation Army Trust and The Salvation Army Social Work Trust) participate in the scheme and it is not possible to allocate the assets and constructive liabilities of the Fund between the Trusts. Therefore, the Fund is accounted for in a similar way as a multi-employer pension fund.

The Salvation Army Retired Officers Allowance Fund was subject to a triennial actuarial review on 31 March 2022, using the Attained Age Method, and this was based on the following principal assumptions:

Post-Retirement Discount Rate	2.9% per annum
Pre-Retirement Discount Rate	3.7% per annum
Rate of Increase in Allowances and Pensions	4.5% per annum
Rate of Inflation	4.0% per annum

The market value of the Scheme's assets at the valuation date amounted to £278.5m whereas the value of past service ongoing liabilities amounted to £247.1m revealing a funding surplus of £31.4m.

The Scheme Actuary will review the funding position each December to 31 March 2025.

As the Scheme has a funding surplus, no deficit funding provision is required.

(b) SALVATION ARMY EMPLOYEES PENSION FUND

The Salvation Army Employees Pension Fund is a funded defined benefit scheme. The contribution rate payable by members is 8% of pensionable salaries and the employer's contribution is 30.2% of pensionable salaries.

The Scheme is a multi-employer scheme incorporating six employers. It closed to new members with effect from 31 December 2011. The actuary has confirmed that it is not practical to allocate the assets and liabilities of the scheme between participating employers and therefore it is accounted for as a multi-employer scheme.

The Scheme is subject to triennial actuarial valuations. The last actuarial valuation was completed, using the Projected Unit Method, at 31 March 2021.

The review was based on the following assumptions:

Post-retirement discount rate	1.22% per annum
Pre-retirement discount rate	0.72% per annum
Rate of salary increases	3.55% per annum
Rate of pension increase:	
On pensions accrued before 6 April 2006	3.0% per annum
On pensions accrued after 6 April 2006	2.1% per annum
Inflation: RPI	3.05% per annum
CPI	2.3% per annum
Deferred Pension Increases (pre 6 April 2009)	3.12% per annum
Deferred Pension increases (post 6 April 2009)	2.02% per annum

The market value of the Fund's assets on the valuation date was £213.7m and the value of technical provisions amounted to £211.1m giving rise to a funding surplus of £2.5m.

On 30 April 2023 the Scheme closed to future accrual for active members. Active members of the Fund as at 30 April 2023 are categorised as an 'Employed Deferred Member'. 'Employed Deferred Members' are entitled to a deferred pension from the Fund which will increase in line with statutory requirements. As part of the employer's proposal a link to your salary remains. This acts as an underpin so that if the final salary link was more valuable than inflation protection, the final salary link would prevail. If an Employed Deferred Member leaves employment before their retirement, the salary link will be broken. In this scenario the Employed Deferred Member's pension will be recalculated to reflect the better of salary increases or the rise of inflation. The recalculated deferred pension which has been accrued prior to 6 April 2009 will increase in line with 'deferred revaluation orders', broadly the increase in CPI each year, subject to a maximum of 5% per annum, for each complete year from the date of leaving until Normal Retirement Age.

13. INTANGIBLE FIXED ASSETS

	Goodwill £000	Other £000	Total £000
Goodwill			
Cost			
Balance at 1 April 2022	11,275	625	11,900
Additions	-	-	-
Balance at 31 March 2023	11,275	625	11,900
Accumulated Depreciation			
Balance at 1 April 2022	11,237	351	11,588
Charge for the year	38	122	160
Balance at 31 March 2023	11,275	473	11,748
Net Book Value at 31 March 2023	-	152	152
Net Book Value at 31 March 2022	38	274	312

Intangible fixed assets represent the goodwill arising on acquisition, by the Trust's subsidiary company SATCoL, of the business operations and net assets of Kettering Textiles Limited. The goodwill is being amortised over 10 years.

The £625K Other intangible assets represents patents and licences in the Trust's subsidiary SATCoL.

14. PROPERTIES

(a) Consolidated	Freehold £000	Long Leasehold £000	Short Leasehold £000	Total £000	Property Schemes In Progress £000
Cost					
Balance at 1 April 2022	424,924	42,460	229	467,613	39,373
Additions during the year	15,291	2,520	-	17,811	38,341
Transfer to investment properties	(703)	(239)	-	(942)	-
Schemes completed during the year	3,314	-	-	3,314	(3,314)
	442,826	44,741	229	487,796	74,400
Less: Disposals	(8,249)	(688)	-	(8,937)	(5,211)
Balance at 31 March 2023	434,577	44,053	229	478,859	69,189
Accumulated Depreciation					
Balance at 1 April 2022	145,162	12,611	227	158,000	-
Charge for the year	7,435	1,230	-	8,665	-
Less: Disposals	(3,046)	(236)	-	(3,282)	-
Transfer to investment properties	(286)	(96)	-	(382)	-
Balance at 31 March 2023	149,265	13,509	227	163,001	-
Net Book Value at 31 March 2023	285,312	30,544	2	315,858	69,189
Net Book Value at 31 March 2022	279,762	29,849	2	309,613	39,373

(b) Trust	Freehold	Long Leasehold	Short Leasehold	Total	Property Schemes In Progress
	£000	£000	£000	£000	£000
Cost					
Balance at 1 April 2022	423,067	37,774	229	461,070	39,373
Additions during the year	15,291	2,515	-	17,806	38,341
Transfer to investment properties	(703)	(239)	-	(942)	-
Schemes completed during the year	3,314	-	-	3,314	(3,314)
	440,969	40,050	229	481,248	74,400
Less: Disposals	(8,249)	(684)	-	(8,933)	(5,211)
Balance at 31 March 2023	432,720	39,366	229	472,315	69,189
Accumulated Depreciation					
Balance at 1 April 2022	144,865	12,160	228	157,253	-
Charge for the year	7,420	922	-	8,342	-
Less: Disposals	(3,046)	(236)	-	(3,282)	-
Transfer to investment properties	(286)	(96)	-	(382)	-
Balance at 31 March 2023	148,953	12,750	228	161,931	-
Net Book Value at 31 March 2023	283,767	26,616	1	310,384	69,189
Net Book Value at 31 March 2022	278,202	25,614	1	303,817	39,373

Trust properties comprise primarily corps halls, divisional and territorial headquarters buildings and residential properties for active and retired officers.

15. MOTOR VEHICLES AND EQUIPMENT

(a) Consolidated	Motor Vehicles £000	Office Equipment £000	Total £000
Cost			
Balance at 1 April 2022	614	30,064	30,678
Additions	2,162	7,509	9,671
Disposals	-	(100)	(100)
Balance at 31 March 2023	2,776	37,473	40,249
Accumulated Depreciation			
Balance at 1 April 2022	299	20,424	20,723
Charge for the year	210	2,742	2,952
Disposals	-	(68)	(68)
Balance at 31 March 2023	509	23,098	23,607
Net Book Value at 31 March 2023	2,267	14,375	16,642
Net Book Value at 31 March 2022	315	9,640	9,555

(b) Trust	Motor Vehicles £000	Office Equipment £000	Total £000
Cost			
Balance at 1 April 2022	614	4,361	4,975
Additions	328	2,401	2,729
Disposals	-	-	-
Balance at 31 March 2023	942	6,762	7,704
Accumulated Depreciation			
Balance at 1 April 2022	299	2,456	2,755
Charge for the year	104	694	798
Disposals	-	-	-
Balance at 31 March 2023	403	3,150	3,553
Net Book Value at 31 March 2023	539	3,612	4,151
Net Book Value at 31 March 2022	315	1,905	2,220

16. FIXED ASSET INVESTMENTS

(a) Consolidated	Investment Properties	Salvation Army Common Investment Funds		Unlisted Investments	Subsidiaries Listed Investments	Total
		Fund 1 £000	Fund 2 £000	£000	£000	£000
Market Value at 1 April 2022	14,847	5,633	216,541	10,735	1,983	249,739
Acquisitions	538	-	-	251	-	789
Gain/(Loss)	1,156	161	(111)	(1,519)	(164)	(477)
Disposals	(115)	-	-	-	(136)	(251)
Market Value at 31 March 2023	16,426	5,794	216,430	9,467	1,683	249,800
Historical Cost at 31 March 2023	1,006	2,963	126,700	9,966	3,263	143,898

(b) Trust Properties	Investment Common Investment	Salvation Army Investments		Unlisted Listed Investments	Subsidiaries	Total
		Funds				
		Fund 1	Fund 2			
		£000	£000			
Market Value at 1 April 2022	14,847	5,633	216,541	10,735	4,967	252,723
Acquisitions	538	-	-	251	-	789
Gain/(Loss)	1,156	161	(111)	(1,519)	-	(313)
Disposals	(115)	-	-	-	-	(115)
Market Value at 31 March 2023	16,426	5,794	216,430	9,467	4,967	253,084
Historical Cost at 31 March 2023	1,006	2,963	126,700	9,966	4,967	145,602

Unlisted Investments represent a 20% holding in William Leech (Investments) Limited. It is not considered to be an associated company and is valued in both the Trust and Consolidated Balance Sheets at share of underlying net assets which equates to its fair value.

	2023 £000	2022 £000
William Leech (Investments) Limited	9,465	10,733
Other	2	2
	9,467	10,735

Subsidiaries are accounted for at cost in the Trust Balance Sheet. The Consolidated Balance Sheet includes the subsidiaries' own listed investments.

Common Investment Funds

The Salvation Army Common Investment Funds hold a wide range of investments. The principal categories of investment and the relevant percentages held at the year-end were as follows:

	Fund 1	Fund 2
Cash	3%	2%
UK Equities	15%	16%
UK Property Funds	0%	0%
Overseas Investments	82%	82%

17. DEBTORS

	Consolidated		Trust	
	2023	2022	2023	2022
	£000	£000	£000	£000
Connected Salvation Army Trusts and Companies	-	-	6,160	4,478
Taxation recoverable	1,430	1,205	603	673
Prepayments and accrued income	29,044	31,805	29,606	31,387
Other Debtors	14,494	27,344	4,502	12,888
	44,968	60,354	40,871	48,258

Included in accrued income above is an amount of £2,892k (2022: £2,940k) which is the deferred consideration due in connection with the sale of shares in Reliance Bank in 2018/19 and which is receivable after more than one year. As the proceeds will be received over an extended period of time, the deferred consideration has been discounted to the net present value, and the reduction in the debtor of £48k is the financing cost recognised in the SOFA for the current year.

18. CREDITORS: amounts falling due within one year

	Consolidated		Trust	
	2023	2022	2023	2022
	£000	£000	£000	£000
Loans repayable within one year (secured)	28	46	28	46
Connected Salvation Army Trusts and Companies	8,263	7,780	14,422	12,258
Tax and Social Security	-	-	-	5
Creditors and Accruals	34,891	36,258	13,308	10,796
	43,182	44,084	27,758	23,105

19. CREDITORS: amounts falling due after one year

	Consolidated		Trust	
	2023	2022	2023	2022
	£000	£000	£000	£000
Bank Loans (secured)	389	461	389	461

	Consolidated		Trust	
	2023	2022	2023	2022
	£000	£000	£000	£000
Bank Loans				
<i>Repayable by instalments</i>				
Within one year	28	46	28	46
More than one year less than five years	107	159	107	159
More than five years	282	302	282	302
	417	507	417	507

	Consolidated		Trust	
	2023	2022	2023	2022
	£000	£000	£000	£000
Pension Provision				
Balance Brought Forward	-	-	-	-
Contributions payable	-	(4,000)	-	(4,000)
Interest on pension obligation	-	(50)	-	(50)
Change in assumptions	-	24	-	24
Contributions paid in advance	-	4,026	-	4,026
	-	-	-	-

20. ENDOWMENTS (Consolidated and Trust)

	Balance 1 April 2022	Movement in Funds Income & Gains/(Losses)	Balance 31 March 2023
	£000	£000	£000
Permanent Endowments			
E.S. Brant	2,105	78	2,183
Sir James Reckitt Trust	822	19	841
W.J. Davis Trust	1,224	41	1,265
Other	1,440	24	1,464
	5,591	162	5,753
Expendable Endowments			
William Leech Fund	10,754	(1,269)	9,485
Total	16,345	(1,107)	15,238

The E.S. Brant Fund was formerly a separate Salvation Army Trust. Its purpose is evangelical work.

The Sir James Reckitt Fund was set up in 1916 for the benefit of the work of The Salvation Army in Hull. By administrative decision, the income is allocated as to 7/8ths for corps purposes and 1/8th for Men's Social Work.

The W.J. Davis Fund was set up in 1991 to support the work of the Midnight Patrol and the annual income is transferred to the Social Trust to fund this work.

The William Leech Fund was initially set up in 1955 with annual donations thereafter. It is represented by a 20 per cent holding of shares in William Leech (Investments) Limited, with the other shares held equally by four other Christian charities. The annual income is transferred to The Salvation Army International Trust as part of the United Kingdom Territory's contribution to the International Self-Denial Fund to help fund work in developing countries.

Comparative	Balance 1 April 2021 £000	Movement in Funds Income & Gains/(Losses) £000	Balance 31 March 2022 £000
Permanent Endowments			
E.S. Brant	2,099	6	2,105
Sir James Reckitt Trust	731	91	822
W.J. Davis Trust	1,184	40	1,224
Other	1,221	219	1,440
	5,235	356	5,591
Expendable Endowments			
William Leech Fund	12,317	(1,563)	10,754
Total	17,552	(1,207)	16,345

21. RESTRICTED PROPERTY FUND (Consolidated and Trust)

Funding of properties for charitable purposes

	Balance 1 April 2022 £000	Income £000	Movement in Funds Expenditure £000	Transfers £000	Balance 31 March 2023 £000
Consolidated and Trust	344,331	3,860	(8,367)	16,965	356,789
Comparative	Balance 1 April 2021 £000	Income £000	Movement in Funds Expenditure £000	Transfers £000	Balance 31 March 2022 £000
Consolidated and Trust	332,060	5,058	(6,139)	13,352	344,331

22. OTHER RESTRICTED FUNDS (Consolidated and Trust)

	Balance 1 April 2022 £000	Movement in Funds Income & Transfers £000	Expenditure & Transfers £000	Balance 31 March 2023 £000
Corps funds	52,206	44,408	(42,954)	53,660
Legacy reserves	76,895	11,101	(7,352)	80,644
Trust funds	2,430	64	(159)	2,335
Specific donations	15,358	3,436	(4,708)	14,086
Consolidated and Trust	146,889	59,009	(55,173)	150,725

Comparative	Balance 1 April 2021 £000	Movement in Funds Income & Transfers £000	Expenditure & Transfers £000	Balance 31 March 2022 £000
Corps funds	50,169	38,779	(36,742)	52,206
Legacy reserves	73,558	8,957	(5,620)	76,895
Trust funds	2,374	332	(276)	2,430
Specific donations	10,547	7,405	(2,594)	15,358
Consolidated and Trust	136,648	55,473	(45,232)	146,889

23. UNRESTRICTED FUNDS (Consolidated and Trust)

	2023 £000	2022 £000
Designated Funds (i)	182,666	195,030
General Reserve (ii)	57,587	51,367
Trust	240,253	246,397
Non-charitable Trading Funds (iii)	22,799	21,714
Consolidated	263,052	268,111

(i) Designated Funds

The Unrestricted Funds of The Salvation Army include the following designated reserves which have been set aside by the directors for specific purposes:

	Balance 1 April 2022 £000	New Designations £000	Utilised/ Realised £000	Balance 31 March 2023 £000
Property Purposes	69,345	-	(11,003)	58,342
Investment Property Unrealised Gains	15,323	-	(478)	14,845
Other Investments Unrealised Gains	82,955	-	(243)	82,712
Pension Reserve	4,647	-	(4,647)	-
Divisional Headquarters Reserves	6,564	-	(685)	5,879
Other	16,196	-	4,692	20,888
	195,030	-	(12,364)	182,666

(ii) General Reserve

This is required to fund the day-to-day needs of The Salvation Army.

(iii) Non-Charitable Trading Funds

This represents the profits retained in the trading subsidiaries to provide the working capital for their trading operations and capital for the long-term development of their businesses

Comparative	2022 £000	2021 £000
Designated Funds (i)	195,030	158,462
General Reserve (ii)	51,367	42,135
Trust	246,397	200,597
Non-charitable Trading Funds (iii)	21,714	19,624
Consolidated	268,111	220,221

Designated Funds	Balance 1 April 2021 £000	New Designations £000	Utilised/ Realised £000	Balance 31 March 2022 £000
Property Purposes	55,739	6,000	7,606	69,345
Investment Property Unrealised Gains	11,984	-	2,863	14,847
Other Investments Unrealised Gains	70,291	-	12,664	82,955
Pension Reserve	621	-	4,026	4,647
Divisional Headquarters Reserves	6,063	-	501	6,564
Other	13,764	2,000	908	16,672
	158,462	8,000	28,568	195,030

24. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

Fund Balances at 31 March 2023 are represented by:

	Endowment Funds £000	Restricted Funds Property £000	Other £000	Unrestricted Funds £000	Total Funds £000
Intangible assets	-	-	-	152	152
Fixed assets	-	385,047	-	16,642	401,689
Investments	15,238	-	96,447	138,115	249,800
Current assets	-	(27,841)	53,655	151,920	177,734
Current liabilities	-	(28)	623	(43,777)	(43,182)
Long-term liabilities	-	(389)	-	-	(389)
Total Net Assets	15,238	356,789	150,725	263,052	785,804

Fund Balances at 31 March 2022 are represented by:

	Endowment Funds £000	Restricted Funds Property £000	Other £000	Unrestricted Funds £000	Total Funds £000
Intangible assets	-	-	-	312	312
Fixed assets	-	348,986	-	9,955	358,941
Investments	16,345	-	94,682	138,712	249,739
Current assets	-	(4,145)	52,207	163,167	211,229
Current liabilities	-	(49)	-	(44,035)	(44,084)
Long-term liabilities	-	(461)	-	-	(461)
Total Net Assets	16,345	344,331	146,889	268,111	775,676

25. CAPITAL COMMITMENTS

The directors are continuing the process of refurbishing and developing Salvation Army properties. At the Balance Sheet date contractual obligations entered by The Salvation Army Trust in respect of property capital schemes amounted to £38.6m (2022: £60.5m).

26. FINANCIAL COMMITMENTS

As at 31 March 2023 the total annual commitments under non-cancellable operating leases on vehicles and equipment and land and buildings are as follows:

	2023		2022	
	Land and Buildings £000	Vehicles and Equipment £000	Land and Buildings £000	Vehicles and Equipment £000
Expiring within 1 year	6,722	335	6,237	435
Expiring between 2 and 5 years	13,136	2,901	13,292	1,793
Expiring in over 5 years	5,457	-	4,351	-
	25,315	3,236	23,880	2,228

27. RELATED PARTY TRANSACTIONS

The Salvation Army Trust supports the work of other connected Salvation Army trusts through the payment of grants and these are set out in Note 7. Grants of £0.8 million were paid to The Salvation Army International Trust and overseas Salvation Army territories (2022: £1.4 million) and a grant of £22.4 million was paid to The Salvation Army Social Work Trust (2022: £23.5 million).

An overhead recharge of £10.2m (2022: £10.8m) was charged to The Salvation Army Social Work Trust during the year, representing that Trust's share of central overhead costs, specific to The Salvation Army Social Work Trust which were incurred by The Salvation Army Trust. In addition, recharges of £85k (2022: £68k) were charged to The Salvation Army Social Work Trust for hire of rooms at corps premises.

The Salvation Army Trust uses the banking services of Reliance Bank Limited which is a subsidiary of The Salvation Army International Trust. At the year end The Salvation Army Trust held balances of £99.5 million with Reliance Bank (2022: £120.3 million). Interest was earned on deposit balances on a normal commercial basis.

28. RECONCILIATION OF NET MOVEMENT OF FUNDS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2023 £000	2022 £000
Net Movement in Funds	10,128	69,195
Losses/(Gains) on Investments	369	(13,986)
Depreciation: Properties	8,665	4,196
Transfer to Investment Properties at NBV	560	250
Depreciation: Motor Vehicles and Equipment	2,952	2,286
Amortisation of Goodwill	160	1,296
Gain on Disposal of Properties	(12,681)	(20,817)
Investment Income	(3,554)	(4,491)
Decrease in Stocks	196	310
(Increase) in Debtors	15,386	(10,621)
(Decrease)/Increase in Creditors	(884)	10,387
(Decrease) in Pension provision	-	-
	11,169	(31,190)
Net Cash Inflow/(Outflow) from Operating Activities	21,297	38,005

29. 101 NEWINGTON CAUSEWAY

The developer who was acquiring the former United Kingdom and Ireland Territorial Headquarters (THQ) building based at 101 Newington Causeway, London, withdrew from the transaction forfeiting the deposit of £1.5m. The property is being re-marketed but in the meantime continues to be utilised for missional purposes.

30. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITY

As required by FRS 102 the SOFA set out below is the full analysis for the 2022 comparative.

	Endowment	Restricted	Unrestricted	2022 Total
	£000	£000	£000	£000
INCOME AND ENDOWMENTS FROM				
Donations, Legacies and Grants				
Legacies	-	8,924	57,354	66,278
Donations – Public	-	11,427	61,522	72,949
Donations – Members	-	16,485	132	16,617
Grants	231	3,970	558	4,759
Trading Activities	-	10,442	84,657	95,099
Investments	-	2,133	1,311	3,444
Other				
Gain on disposal of property	-	4,826	15,991	20,817
Other Income	-	1,806	185	1,991
Total Income	231	60,013	221,710	281,954
EXPENDITURE				
Raising Funds				
Costs of raising donations, legacies and grants	-	68	13,544	13,612
Costs of trading activities	-	6,101	77,020	83,121
	-	6,169	90,564	96,733
Charitable Activities				
Church and Evangelism Programmes	-	20,509	19,624	40,133
Community Programmes	-	31,021	21,984	53,005
International Programmes	-	1,338	3,213	4,551
Training Programmes	-	3	5,267	5,270
Youth and Young People's Programmes	-	-	2,337	2,337
Grant to the Salvation Army Social Work Trust	-	-	23,547	23,547
	-	52,871	75,972	128,843
Financing Costs	-	-	1,169	1,169
	-	-	1,169	1,169
Total Expenditure	-	59,040	167,705	226,745
Gains/(Losses) on Investments	(1,438)	219	15,205	13,986
Net Income/(Expenditure)	(1,207)	1,192	69,210	69,195
Transfer between funds	-	21,320	(21,320)	-
NET MOVEMENT IN FUNDS	(1,207)	22,512	47,890	69,195
Fund balances brought forward	17,552	468,708	220,221	706,481
Fund balances carried forward at 31 March 2022	16,345	491,220	268,111	775,676



Charity Registration No: 214779 Scottish Charity Registration No: SC009359

www.salvationarmy.org.uk

THE SALVATION ARMY

England & Wales - Charity number 214779

Accounts

**THE SALVATION ARMY
UNITED KINGDOM AND IRELAND TERRITORY**

**THE SALVATION ARMY TRUST
REPORT AND FINANCIAL STATEMENTS
FOR THE UNITED KINGDOM IN THE YEAR ENDED
31 MARCH 2022**

**CHARITY REGISTRATION NO: 214779
SCOTTISH CHARITY REGISTRATION NO: SC009359**

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INTRODUCTION FROM THE TERRITORIAL COMMANDER

Commissioner Anthony Cotterill

The Salvation Army's purpose can be summed up in four words: 'Love God, Love Others'. These words come from the teaching of Jesus who, when asked 'What is the greatest commandment?' replied: "Love the Lord your God with all your heart and with all your soul and with all your mind." This is the first and greatest commandment. And the second is like it: "Love your neighbour as yourself." (Matthew 22:37-39 *New International Version*).

As you read this report, I hope you will be inspired, as I am, with the countless examples of people who love God and love others. The people who are The Salvation Army - our church members and officers, our incredible employees, our generous volunteers, and the people who seek our help and then begin to feel part of the family - are energised by loving and serving others. Not everyone is a Christian, but Salvation Army people are united in finding joy and fulfilment in serving others - putting the needs of other people ahead of their own interests.

The world increasingly needs The Salvation Army. The past few pandemic years have placed additional pressures on people and communities. Many are facing cost-of-living pressures, many are struggling with mental health, many are tired from constant uncertainty, many are unexpectedly finding themselves needing help from The Salvation Army. We could not do what we do without the generous backing of our financial supporters. A large amount of our funding comes from individual donors - people who trust us to do good with their money. Thank you for your generosity and confidence in us. We are determined to live up to the confidence you have entrusted to us.

The year under review has been demanding and fulfilling. Our 625 corps (churches) are embedded into communities across the length and breadth of the United Kingdom. The community work of members and officers is an outpouring of their love for God. After the disruption of the pandemic, it is good to see people returning to worship in person - this gives us the energy and passion to love others.

The pages of this Annual Report are full of examples of people and communities experiencing more of the fullness of life that God wants everyone and every place to enjoy. Although the next few years threaten economic uncertainty, The Salvation Army is hopeful and ready to step out in confidence as we 'love God, love others'.

Thank you for your help and support. May God bless you.



Commissioner Anthony Cotterill
Territorial Commander of The Salvation Army in the United Kingdom and Ireland

OUR VISION, MISSION AND VALUES

Our Vision and Mission Statements inspire and guide all the work we do as a church and as a charity. We refreshed our statements in 2021 to reaffirm our sense of purpose and direction for The Salvation Army in the United Kingdom, Ireland, the Channel Islands and the Isle of Man. The refreshed statements have been adopted across the territory, and their simplicity and boldness mean that all areas of the diverse work of The Salvation Army can be both anchored and inspired by them.

Vision Statement:

Our Vision:
Fullness of life
for *all* with Jesus

This is 'Our Vision' for every part of The Salvation Army. It is inspired by the words of Jesus who said: 'I have come that they may have life, and have it to the full' (John 10:10 NIV). 'Fullness of life for all with Jesus' includes every aspect of Salvation Army life. We believe everyone can enjoy fullness of life with Jesus. It is aspirational - we are not there yet, but this is what we strive towards.

Mission Statement:

Our Mission:
To *share* the good news
To *serve* others without discrimination
To *nurture* disciples of Jesus
To *care* for creation
To *seek* justice and reconciliation

The Mission Statement is built on five principles - or **priorities** as we see them - which should act as the drivers for all we do, how we do it and why we do it, across the entire organisation. These short phrases communicate immense challenge, ambition and direction. When these priorities are present, The Salvation Army is working towards 'Our Vision' of 'Fullness of life for all with Jesus'. Each of the five priorities of 'Our Mission' are rich in meaning and help us explain to 21st-century society why the Christian message and the work of The Salvation Army is relevant and desperately needed in our communities and nations.

OUR VALUES

Our values have been refreshed and refocused on the behaviours that should result from living out the values. Our values are for everyone involved in The Salvation Army and must be reflected in our behaviour and result in good relationships and increased wellbeing, and help us integrate what we do with how we do it. The basic standard of Christian behaviour, derived from our understanding of the character and action of God, is love; so we need continually to be drawn back to understand how God is asking us to live and work together to help us be faithful to our calling to be God's people.

Boldness - We will courageously and confidently share the good news, seek justice and reconciliation, nurture disciples of Jesus, serve others without discrimination, and care for creation.

Compassion - We will serve with the unconditional love and grace of God as the pattern for our behaviour.

Passion - We will bring our best selves, our God-given energies and convictions, to our work, service and learning, whether as officers, members, employees or volunteers.

Respect - We will receive each person with the dignity of those created in the image of God, while seeking the transformation God.

Integrity - We will be honest and transparent in all our dealings with each other and those we serve, being open about our motives and agendas.

Mutual accountability - We will willingly and freely give full account for our actions to those we interact with and expect the same in return.

Statement of commitment:

We have one simple statement to explain why we are here which frames all we are and all we do as a church and charity. Four words achieve this:

'Love God, Love Others'

This is based on Jesus' greatest commandment in Matthew 22:37-39 to 'Love the Lord your God' and to 'love your neighbour as yourself'. 'Love God, Love Others' underpins, inspires and motivates everything we do, in every part of The Salvation Army.

OBJECTS OF THE SALVATION ARMY TRUST

The Salvation Army's principal objectives are the advancement of the Christian religion and pursuant thereto the advancement of education, the relief of poverty and other charitable objects beneficial to society or the community of mankind as a whole.

The following groups benefit from the work of The Salvation Army Trust:

- those who worship or participate in other activities at Salvation Army corps (churches) and community centres
- vulnerable and disadvantaged members of society, including people experiencing homelessness, older and/or lonely people, children, young people and families, people dealing with issues of substance abuse
- the wider community of society as a whole

The Salvation Army takes a holistic approach, engaging with people's physical, emotional and spiritual needs, offering its services without discrimination.

EXPLAINING OUR STRATEGY, STRUCTURE AND OPERATION

This is essential reading for anyone who wants to understand how The Salvation Army works and why we are so diverse.

Our two principal charitable registrations:

The Salvation Army operates through two principal charitable trusts: The Salvation Army Trust and The Salvation Army Social Work Trust. This report and accounts outlines the work of **The Salvation Army Trust (Charity Registration number 214779)**, which is the charity registration through which we manage our programmes of engagement and support that are delivered through our local corps (churches) and our community centres.

However, the work of The Salvation Army Trust does not represent the entirety of The Salvation Army's work in the UK. Alongside the locally driven, locally responsive corps (church)-based operations which are reported here in this Report and Accounts, The Salvation Army operates centrally co-ordinated and centrally managed 'social services'. Whilst this is still the 'work' of The Salvation Army, the finances of these operations are managed and reported on through a separate charity registration, **The Salvation Army Social Work Trust (Charity Registration number 215174)** which has its own Report and Accounts. The Salvation Army Social Work Trust accounts for residential programmes for homeless people, care homes for older people, residential detox centres, family centres, refuges for victims of domestic violence, safe houses and services for the victims and survivors of modern slavery and human trafficking and our Employment Plus services. These services are managed in a top-down model due to the vulnerability of the people needing help and because of statutory regulations and contract requirements.

Summary of the purpose of The Salvation Army Trust

The Salvation Army Trust is the charity registration through which our corps (church)-based community programmes and our congregational life are managed and accounted for. Because each community is different, our community work and expression will be different in each location. This is explained further later on.

Inspired by our vision and mission statements:

- We offer and are energised by Christian worship, teach Christian principles and encourage Christians to live out their faith in every aspect of life. We promote the Christian good news through various media including literature, music, digital media and personal evangelism.
- We provide community programmes through corps (local churches) and in communities that are relevant to local needs, to assist people of all ages to enhance their quality of life, self-respect, personal development and relationships with others. We work alongside local communities to ensure that we are partnering with them and other agencies to meet local need. We do that through formal and informal activities.
- We seek to influence policymakers, providing information on social issues affecting people on the margins of society. We seek to amplify these voices and help society be fairer, more caring and just.
- We train and equip current and future Salvation Army officers, staff and volunteers.

- We financially support **The Salvation Army Social Work Trust** in the full range of services it provides.
- We support the international mission work of The Salvation Army, including development work and providing relief to those affected by disasters overseas.
- We review and adjust our strategies and programmes to respond to changing needs.
- We strive to achieve our vision of ‘fullness of life for all with Jesus’ in everything we do through five mission priorities: share the good news; serve others without discrimination; nurture disciples of Jesus; care for creation; seek justice and reconciliation. Operationally, we are prioritising transformation, integration and streamlining to increase our effectiveness and impact.

The scale of the work of The Salvation Army Trust

The Salvation Army Trust works principally through 625 corps (churches) and community centres in the United Kingdom.

England: 505 corps (includes Isle of Man and Channel Islands)

Wales: 35 corps

Scotland: 69 corps

Northern Ireland: 16 corps

A list of centres managed through The Salvation Army Social Work Trust is listed in the Report and Accounts for that trust.

The work and delivery of The Salvation Army Trust

To ‘make sense’ of The Salvation Army, it is important to remember that The Salvation Army is first and foremost a church, but a church that delivers a colossal and diverse range of charitable services. Everything The Salvation Army does should positively contribute to making the world a better place - as God intends it to be.

As a church, we have a network across the UK of over 625 local corps (churches) community centres. These are generally run by corps officers, who are trained and commissioned (ordained) Salvation Army ministers of religion. Each corps officer is accountable to his or her community but is operationally accountable to one of 14¹ divisional commanders who in turn report to the headquarters based in London.

This strong community presence is the way in which we ensure we respond to local needs in local ways. What we do is generally decided on and delivered locally. The costs and delivery of this network of corps, and the infrastructure and the centralised operations that support it, is the subject of this Annual Report and Accounts for The Salvation Army Trust.

¹ For the year under review (2021/2022) the territory was structured into 22 divisions (The Salvation Army’s equivalent of a diocese) with a reduction to 20 during the year. The number of divisions will be consolidated down to 14 divisions by July 2023 following a structural review.

The Salvation Army is a church and charity that doesn't just help people by providing immediate, practical support to overcome issues such as addiction, homelessness, social isolation or poverty; it also strives to address the reasons behind the suffering, with a view to effecting sustainable change in individuals and society at large.

Therefore, what sets The Salvation Army apart from other organisations is the combined strength of our centrally co-ordinated social work services and the local responsiveness of our corps (churches) and community centres which are all playing their part to bring lasting change at a local and national level.

Every officer, member of staff and volunteer brings their own unique insight into the lives of the service users and communities they serve, to inform the work that we do and help us prioritise which reforms we will campaign for on behalf of the marginalised and vulnerable.

Explaining our distinctive organisational approach to strategy

'Fullness of life' is a scripturally-inspired goal which now forms the heart of our vision statement. The Salvation Army is a diverse, responsive, agile Christian church and charity. Because we live and work in the communities we serve, we fully recognise that each community is different and consequently the needs of each community are different.

Our approach is to encourage effective and flexible activities focused on helping people experience life in all its fullness across all the communities in the UK where we have a local presence.

The UK Salvation Army therefore deliberately does not have a prescriptive approach to directing its delivery at corps or centres or a directive top-down strategy. Instead, we prioritise local responses to local needs as the way we choose to work across the UK. The size, scale and professionalism of The Salvation Army can be underestimated because of this strategic decision.

This report highlights how this approach has enabled us to respond powerfully, quickly and in an agile and flexible - and above all, a locally relevant - way to the latter stages of the pandemic and how we emerged from that time with renewed energy and agility.

Integrated locally

Together the two Annual Reports and Accounts provide a comprehensive account of the work of The Salvation Army in the United Kingdom. At a local level, The Salvation Army across both trusts is encouraged to work together to bring lasting change at local as well as national level - we call this '*integrated mission*'.

Integrated internationally

In a wider context, The Salvation Army works in more than 130 countries, on every continent, often in the forgotten corners of society. Our breadth of experience and hierarchical structure enables lessons learnt in one place to benefit people with similar challenges thousands of miles away. The rapid expansion of our work with victims and survivors of modern slavery and human trafficking is a good example of this strategic advantage.

Resourcing, support and oversight

The local diversity of The Salvation Army's operations is facilitated through centrally co-ordinated support services - such as HR, finance, property, IT, PR and fundraising, with some of these support functions also located in divisional (regional) headquarters. This approach enables us to be efficient and effective in the use of resources.

In addition, there are staff whose role is to learn lessons from local programmes, pilot schemes, share resources and successful outcomes from innovation and experience, with other Salvation Army operations to help us achieve our mission across The Salvation Army as effectively as possible. This approach helps to drive up the quality of our services to people who are often poor, marginalised and vulnerable.

REALIGNING RESOURCE TO ENABLE A 'FLOURISHING' AND EFFECTIVE SALVATION ARMY

The work and delivery of the Structure Co-ordination and Design Project 2022

Ensuring appropriate oversight and support and operational freedoms to more than 600 diverse and locally responsive Salvation Army churches and community centres is challenging. Add to that over 100 residential and non-residential social work centres, and the challenge of ensuring the most effective allocation of resources is truly demanding.

The Salvation Army has never been a static organisation, and over its 150+ year life has been constantly evolving to match efficiency and effectiveness with changing times and changing needs. Over the last two years, the entire UK Salvation Army has engaged in a structured, extensive and disciplined process to look at how the people and resources we have can be marshalled and structured more effectively, with one goal: to enable our 'frontline' operations - our local mission delivery units, whether they are corps or social work centres - to 'flourish'.

By 'flourishing' we mean that every expression of The Salvation Army should actively be engaging with the five mission priorities (our Mission Statement) in order to achieve our vision.

Our Mission:

To *share* the good news
To *serve* others without discrimination
To *nurture* disciples of Jesus
To *care* for creation
To *seek* justice and reconciliation

Our Vision:

Fullness of life
for *all* with Jesus

This significant task, termed *The Structure Co-ordination and Design Project*, has been focused on three desired outcomes:

- **Transformation:** Increase the capacity of locally-based Salvation Army work to contribute to the five mission priorities (share the good news; serve others without discrimination; nurture disciples of Jesus; care for creation; seek justice and reconciliation).
- **Integration:** Build strong and effective collaboration between all aspects of Salvation Army work in a geographical area.
- **Streamlining:** Design appropriate, effective, efficient and sustainable structures and processes that enable local mission to flourish.

Starting in 2021 and over a two-year period, the Structure Co-ordination and Design Project conducted probably one of the most extensive pieces of internal research we have ever executed. The principal goal was to provide answers to the simple question: 'What (change) is needed to enable our local mission to flourish?' The process was deliberately designed to be 'bottom-up'. Consultations were carried out within all the then 20 divisions, and at all headquarters, both territorial and divisional.

The principal premise we worked to is this: A combination of effective **oversight** of the right things, combined with the allocation of adequate resources and **support**, and the effective **release** of our local mission delivery expressions from unnecessary control, should result in communities and people flourishing.

The strength of this simple model is that it dovetails into the way The Salvation Army has always worked. We respond locally and meaningfully to local need in local ways. Organisational structures, administrative and decision-making processes can become burdensome and inefficient. At its best, The Salvation Army is often more local organism than top-down organisation. Therefore, rooting and starting our thinking and planning for change in 'local' was the most sensible and potentially the most powerful way forward.

The outcome can be outlined as a series of significant changes to the way we work:

Release: We engaged and continue to engage in extensive rethink of how resources need to be marshalled and how the local delivery points can be 'released' to be as free as possible to decide on and deliver what they perceive is needed in terms of service and services. One outcome is, and will continue to be, a review of effectiveness, and how investment directed more freely to where increased investment will deliver significant change for people and communities.

Oversight: Effective oversight is vital for compliance and governance. Oversight ensures we are doing the right things in the right ways. However, the design process also looked at where supervision and some forms of oversight are unnecessary or could be released to be done locally, not centrally. We have a strong spirit of accountability in The Salvation Army and the releasing of some aspects of oversight will mean more local ownership.

Support: We need to continue to ensure that the support that is needed to enable local mission delivery to flourish is available, but in the right ways. This means adequate funding streams, support for raising awareness locally, support for training and innovation and local growth. We are developing more practitioner-based and peer-to-peer support. This is helping to reduce the cost of support and improve the quality by encouraging people to learn from fellow practitioners.

Streamlining was also one of the three goals of this process, and a significant branch of this project looked at our divisional structure and how best can our 650 corps and community centres be clustered and supported divisionally (regionally). Consultations were under way during the year in review here, but the outcome, announced in Autumn 2022, was a reduction from 20 to 14 divisions and a reshaping of the role of the divisional leadership team to ensure the effective application of the principle of support and oversight and release. Critical to this thinking was also to ensure divisional headquarters and staff work with territorial headquarters and staff to form one integrated system of support and oversight.

A further cultural intention with this project has been to move away from seeing change as something that is effected once, to a culture of continual improvement. All aspects of The Salvation Army's operations are therefore actively encouraged to submit proposals for how improvements, innovations and changes can be introduced to enhance local mission delivery.

The changes that this project introduces will most likely be felt in 2023 at the earliest. As this is a significant strategic development, it will be reported on in subsequent Annual Reports and Accounts.

ILLUSTRATING THE WORK AND ACHIEVEMENTS OF THE SALVATION ARMY TRUST 2021/2022

Because The Salvation Army's approach is to not have a tightly defined 'top down' corporate strategy and instead to prioritise local response to local need, and to ensure there is adequate funding for that to happen, illustrating all that The Salvation Army has achieved across the UK would be a colossal task.

Therefore, this report highlights some of the developments we have implemented in the last year as we work to deliver our mission and strive to achieve our vision. We are blessed to have the resources to operate in this way and we believe - and know - that our approach helps transform the lives of thousands of people every day.

HOMELESSNESS: THINKING OUTSIDE THE BOX

Home is important for our health and happiness. Without a safe and stable place to call home, life can quickly fall apart. The Salvation Army is at the forefront of efforts to reduce homelessness and support homeless people, with a range of services including many community-based initiatives.

During the year, we continued to be at the forefront of developing innovative solutions to tackle homelessness and its root problems.

Sleeping safe and sound

We know that most rough sleepers have multiple health problems as sleeping on the streets is dangerous and tough on the body. During the year, we piloted cutting-edge pop-up accommodation for rough sleepers in York, called NAPpad 20.

As well as keeping people warm and dry, these innovative pads also checked if someone had stopped breathing and could prompt a call to emergency services. They were designed by Protectal Ltd with The Salvation Army, using microwave technology.

The pop-up accommodation also offered homeless people an informal setting to meet with our support team to explore more permanent housing and support options. Rachael Maskell, MP for York Central, described the NAPpad as an 'innovative solution to provide dignity and independence in a safe environment for some of York's most vulnerable residents'.

Former rough sleeper Jay, 19, said: 'The technology to make sure you are safe is amazing. On the streets, if you can't breathe nobody knows, nobody knows where you are and nobody can call for help. This will be life-saving.'

Piecing together a solution to homelessness

In a pioneering move, we joined forces with award-winning developer Hill Group and Citizens UK to create the SCH Partnership. To mark its launch in June 2021, we unveiled the SoloHaus, a modular home which is furnished and ready to move into.

The homes have running costs of less than £5 a week and are designed to Future Homes Standards, exceeding building regulations for energy efficiency and sound insulation, and with a design life of 60 years.

These modular houses help tackle homelessness and rough sleeping, while making people feel part of their community. The Partnership started work on setting up supported accommodation projects in Southend, Basildon and Bristol. We called on the Government, local authorities and landowners to support this innovative programme.

Lieutenant-Colonel Drew McCombe, Secretary for Mission, said: 'Modular housing is a more cost-effective, and better-quality alternative to temporary accommodation.'

God-given idea: the Care Kitbag

Married couple Pat and Richard Thorpe, soldiers (members) from Norwich, were inspired to create a Care Kitbag while praying for a way to help homeless people who were being discharged from hospital during the pandemic.

Pat explained: 'We thought, what if we could provide a bag of basic toiletries and things, which could be accessible at the hospital. That way, if someone who was experiencing homelessness came in, they would at least have a bag of items to take out with them.'

The couple also included a message of hope, a prayer and a list of other organisations that could help them too. After setting up at the hospital, the scheme quickly expanded. Care Kitbags were also given out through St Martins Housing Trust, Pathways, the YMCA and Shelter.

Care Kitbag checklist

- Soap and shower gel
- A flannel
- Deodorant
- Shampoo
- Toothbrush and toothpaste
- Brush or comb
- Tissues
- Breakfast bars
- Hat, scarf and gloves
- Dark coloured socks
- Underwear

Warm welcome in cold weather

In November 2021, as the temperature dropped, The Salvation Army mobilised to make sure people were not forced to sleep on freezing streets. Many of the communal style shelters were not Covid-safe, but the church and charity adapted services to meet local need to provide a network of support across the country. This included giving out hot meals and warm clothing, providing access to showers and a place to sleep, plus advice and other outreach services.

The Salvation Army's Director of Homelessness Services, Lorrita Johnson, said: 'Living on the streets is no place for anyone and even more so as the cold weather bites.'

Round-up of examples

- In Cardiff, The Salvation Army went out on foot from 5.30 pm to 8.30 pm every evening to reach out to people who were homeless or in need. Access to rough sleeper accommodation and first aid, warm clothing, harm reduction advice, and chaplaincy and advocacy services were also provided.

- In Basildon, the local Salvation Army corps provided hot meals, access to a shower and signposting to other agencies for additional help. They also hosted a meal on Christmas Day (with social distancing and a booking system in place), run by a team of volunteers.
- In Wisbech, The Salvation Army offered hot meals for homeless and vulnerable people in the community from 6-7 pm every Tuesday and Thursday.
- In July 2021, a last-minute donation from St Saviour's Housing Association in Southend secured a project for specially designed modular homes, to help rehabilitate people experiencing homelessness.

The Salvation Army joined forces with Citizens UK and housing developer Hill Group to set up the SHC Partnership which started work on the project in the seaside town and other locations around the country. Captain Tracey Bale of the Southend Citadel said: 'St Saviour's was closing down and wanted to give us £100,000. As I read the letter I stood there in shock. But this was confirmation from God that he had the situation in hand and wanted the project to go ahead.' As well as providing accommodation, support workers will also work closely with residents helping them to adjust to their new lives. Tracey said she believes the project will make a big difference in Southend, a town that ranks eighth on the list of the UK's 10 worst homeless hotspots.

JUST THE JOB FOR UNEMPLOYED PEOPLE

The Salvation Army is a refuge of resources and support for people facing unemployment. In the wake of the pandemic, unemployment rates are relatively low. But finding a stable job that pays enough can be hard, due to low pay and zero-hours contracts.

The examples below show how we continue to help people to become job-ready, to get a job and stay in work. We help people cope practically and emotionally with being unemployed, as well as tackling its root causes.

Kickstarting careers - Charlie's story

The Salvation Army placed scores of young people in jobs to help them gain valuable work experience as part of the Government's Kickstart scheme.

Kickstart opportunities are open to people aged 16 to 24 years old who claim universal credit and are at risk of long-term unemployment. Each person has a dedicated Salvation Army employability professional to support them and to help them seek employment at the end of their contract. The Kickstart scheme is an integrated scheme between corps and Employment Plus within The Salvation Army Social Work Trust.

Charlie Buckingham is among 85 young people we supported last year. He joined The Salvation Army as a community support worker at Sheerness. His job involved working with the food bank and supporting the launch of a community service run from a bus.

Charlie had been put on furlough in his previous job during the pandemic and was eventually let go. He was eager to get another job in order to support his family. Talking about his new job Charlie said: 'It was completely different from anything I had ever done before. The best thing is that what I am doing is meaningful. It makes a difference and is helping people in my area. I am not just a number on a bit of paper, I am helping to make my community a better place.'

Extra support from Employment Plus

The Salvation Army's Employment Plus service offers tailored support to help people become job-ready, with the aim of helping them find work and stay employed. During the year, we launched a weekly Employment Plus service at Crewe. Services such as this are started initially using funding from The Salvation Army Social Work Trust. However, once set up they are maintained and supported using funds directly from the corps.

Corps officer Major Steven Watson and his team at Crewe had already been supporting people who had lost their jobs, with food parcels and fuel vouchers. Unemployment was also having a devastating effect on families pushing them into poverty and increasing social exclusion.

Major Watson said: 'The Salvation Army has been expanding its Employment Plus service across the UK and we're delighted that we can offer this to the community in Crewe as well. Our advisers are friendly and compassionate, offering help with CVs, job searches and interview techniques.'

Elsewhere Employment Plus has been praised as a 'fantastic scheme' by Sunderland MP Julie Elliott who visited the Community Project centre in Southwick.

Regaining purpose and belonging

When Dawn Turner's son left the British Army he had a breakdown. But Dawn - a nursing professional - couldn't get an appointment for her son for six months. So Dawn and her partner Perminder Kundi (Bob) started Stepway, a charity that helps army veterans return to civilian life.

Stepway partnered with The Salvation Army in Worcester and opened its first drop-in centre using one of the rooms at the corps. Veterans joined in activities and got support, and also the option to complete a programme developed by Dawn built around mental health awareness.

About 65 people successfully completed the programme and have gone back into employment or education or now volunteer for the charity, including Tina Dales.

Tina was medically discharged and said she 'felt like damaged goods, feeling low and lost'. At Stepway she found a sense of belonging and a way forward. Tina said: 'At last I have found my purpose again.'

Stepping up

Dawn and Bob reached out to other Salvation Army corps to see if they were interested in collaborating. Oldbury corps officers Captains Beverley and Carl Wardley were happy to get involved and Stepway now has a base in the West Midlands too.

Captain Carl Wardley said: 'Our work fits together well, as both organisations have a heart for all people. We provide some of our land for a community garden project as well as access to our buildings so that people can meet and feel safe. We are also able to offer pastoral support to veterans.'

FAITH IN CHILDREN AND YOUNG PEOPLE

We believe young people have unbridled potential: potential to dream, to lead, to restore and rebuild communities. Yet the pandemic put unprecedented restraints on them. Rites of passage, from being in a Nativity play to attending music festivals, were missed. Their ability to socialise and find their own identity was lost. For the most vulnerable, a difficult life became even more challenging.

We adapted and innovated our services during Covid-19 to support young people. Last year, as we emerged from the pandemic, we opened up more opportunities for young people to reach their potential - as the examples below illustrate.

Rebuilding activities and hope

Aston 614 in Birmingham has provided weekly activities for up to 40 children, young people and families since 2006. During lockdown we introduced online activity sessions alongside others for discussions about mental health, racism, gang violence and social justice.

During the year the young people who took part completed Arts Awards in comic book creation, music production, animation, and content creation for YouTube. 12-year-old Kudzy told us: 'I've been able to do what I love - which is drawing and animation - and got a certificate for it.'

We partnered with other community organisations to start a weekly Positive Minds group. In after-school drop-in sessions, young people from ages 5 to 18 took part in activities in a safe and friendly environment.

Through these activities young people connected with The Salvation Army and our ministry, which focuses on restoration, rebuilding and renewal through Jesus. Aston 614 continues to be a peaceful place where young people can come and leave their worries at the door.

Still ahead of its time after 140 years

Our children's magazine *Kids Alive!* marked its 140th anniversary in August 2021. It was launched in 1881 as the *Little Soldier*, and started running comic strips in 1928.

The church and charity celebrated the occasion by releasing rarely-seen comic strips and front covers from our archives. Young readers marked the anniversary by raising funds for The Salvation Army's vital work in communities up and down the country.

Steven Spencer, Director of The Salvation Army's International Heritage Centre, said: 'In the early 1880s children were only just beginning to attend school in large numbers and the era was dominated by Victorian paternalistic attitudes towards children. And yet The Salvation Army had seen the need to create a magazine just for them to learn and read the stories of other children and their faith in God.'

Rebecca from Kent, whose three children are avid readers, said: 'The magazine has a nice family feel to it and we've always felt part of a *Kids Alive!* community that cares.'

Top facts

- First issue - Saturday 27 August 1881
- Continued printing throughout both world wars and two pandemics

- Iconic editions include:
 - The Queen's Diamond and Golden Jubilees
 - Experience of evacuees during the Second World War
 - ABBA featured on the front cover in the 1970s

Compassion for young families

Last Christmas, one in five adults under 30 said they would have to rely on charity, and over half of them have children. For example, Catherine, a full-time mum to a six-week-old baby and an 18-month-old toddler, said her partner was out of work and their family was struggling for essentials like nappies, baby milk, washing powder and groceries.

The Office for National Statistics figures showed that this age group is more likely to be in low-paid, low-security jobs with more of their income going on housing. They are also more likely to have suffered financially due to the pandemic as a higher proportion worked in industries that shut down or put furloughed staff on reduced wages.

As a practical response, for Christmas 2021 The Salvation Army distributed gifts to nearly 100,000 children from vulnerable families. Lieutenant-Colonel Dean Pallant, Secretary for Communications, said: 'Christmas should be a time of joy, but there will be no Christmas cheer for those young adults who are struggling to make ends meet and worried about how much longer they can keep a roof over their head.'

For a longer-term solution, The Salvation Army called for more support, including protection from food poverty during the school holidays for families with children and an expansion of free childcare provision so parents can afford to work.

Back to summer camp!

After months of being apart, young people were thrilled to attend summer schools and junior camps across our divisions. The schools and camps gave children opportunities they may not otherwise have been able to afford. They explored spiritual themes and took part in worship too.

Central East - Young people went on a pilgrimage, walking three routes over three days and covering 30 miles. Each route provided natural spaces to explore and experience God.

North East England - Young people explored creative and musical abilities together, which just wasn't possible during the pandemic. Their inner spark grew during the week fuelled by worship and Bible study.

Severn and Somerset - 20 children and staff came together to explore The Wonder Zone. They discovered more about the world and God who created it. They also reflected on their place in the world and making the right choices.

CARE AND SUPPORT FOR PEOPLE IN NEED

We follow the example of Jesus, treating vulnerable people in our communities with deep compassion and respect. Our work in communities across the UK enables us to respond to local needs in an agile and tailored way, so we can meet changing and emerging needs across the UK. Our work is diverse and effective as can be seen from the following examples.

Banking on our support

Last year the number of meals we provided, to people struggling to afford food since lockdown started, hit two million. For around one in five people it was the first time they had sought charitable support at food banks and hubs.

During the pandemic we established 22 regional food hubs across the UK, where we bulk bought food from wholesalers to help our local centres and churches meet the demand. As we moved out of lockdown, more people struggled to cope as the economic impact of the pandemic started to bite.

Examples from around the territory this year:

- Leeds Central Salvation Army church dished up its 10,000th takeaway meal.
- Portsmouth Salvation Army delivered Food and Fun at Home packs to children during Easter holidays.
- Preston Salvation Army gave out food vouchers to struggling families.
- Stornoway Salvation Army handed out food parcels to feed 150 people a day.
- Isle of Wight Salvation Army gave out 350 toys and parcels to families in need at Christmas.

Innovating our services

Talk, Cook and Eat - has helped up to 50 families in Oldham to cook healthy meals while staying connected. They had been struggling with cooking, but also with eating alone so they liked sitting together and socialising too.

At the start of the pandemic, people received a bag of ingredients and made different meals. They watched demonstration videos on Facebook, took part in quizzes and won 'practical prizes' like cooking equipment which had been donated by Ultimate Products.

This year the families continue to share recipes they made using food from charity Fareshare, which redistributed surplus food to charities, and Salvation Army donations. One mum Lisa said: 'It's made such a difference for me. There is always something different in the bags, things I would not normally buy like celeriac, asparagus or fennel. I love that my daughter is able to try all of this.'

More than a food hub

In Swindon, Salvation Army leaders expanded the remit of their food hub to include long-term budgeting help, employability, training, wellbeing and life skills. People who came for a food parcel in crisis received wider support to help them become more independent. Captain Theresa Torr said: 'We see the same people coming back to us for food, time and time again, and we think that this is a good way to help in the long term.'

Wear with pride

The Salvation Army and its local partners offered families in Cannock pre-loved school uniforms for free, helping over 400 children get ready for the new school term. The 'pre-loved market' stocked everything from blazers, shirts, trousers and skirts to PE kits and shoes for children aged 3 to 16 years of age. Captain Lydia Bartlett, leader of The Salvation Army in Cannock, said: 'The coronavirus pandemic has had a devastating impact on our communities and we all know how expensive school uniforms can be even at the best of times. So many parents have thanked us for running this market, and while we can help we will continue to do so.'

At our Shipley Salvation Army Corps, volunteers at our uniform bank processed, washed and prepared 20 sacks of donated school uniforms each week to meet growing demands from families. Last summer the corps supported 79 families, providing 748 items over three months.

Friendship on call

To help support vulnerable and isolated members of the community in Launceston, The Salvation Army launched a telephone befriending service. Its aim was to reach out to even more people who may be lonely, anxious or worried and would appreciate a phone call.

The service was the idea of Mary Butler, who has been a Salvationist for more than 50 years. Mary said: 'I kept praying and believing the Lord would show me a way that I could reach out in some way. This has proved such a blessing and has opened an opportunity to listen and to pray with people. This has been a great comfort to them and a real blessing to me.'

Salvation Army church leader Captain Susan Tidball said: 'Loneliness and isolation were prevalent in our community even before the pandemic. There is a real need - a basic human need - for personal contact for the sake of people's health and wellbeing.'

Health and hope at church hall

The Salvation Army corps in Stowmarket became an NHS vaccination centre during the roll-out of the Covid-19 jab. Major James Lloyd, the local church leader, said: 'It's only right that we offer our building which we have been blessed with to help in the fight against this deadly disease that has caused so much loss and devastation in our communities for more than a year.' The centre vaccinated 500 people a day. Church leaders offered pastoral support to NHS staff, volunteers and members of the public who needed some emotional support. Other members of the corps helped to direct traffic and patients.

A RICH FULFILLING LIFE FOR OLDER PEOPLE

People are living longer, with greater activity, engagement and productivity. We believe it is important for every person to live life with enjoyment, and to feel safe and valued.

During the pandemic we found innovative ways of keeping in touch with older people who were alone and isolated. This year we blended these virtual alternatives with our established daycare centres, lunch clubs and other in-person services, to help even more older people lead rich and fulfilling lives.

Singing by heart

Singing is a great way for people to feel engaged, uplifted and part of a group. During the pandemic The Salvation Army in Wrexham had to close their dementia-friendly activities, including monthly Singing By Heart sessions. Karen Edwards, community manager said: 'When we realised that the closure was going to last for much longer than we originally anticipated, we took Singing By Heart into the care homes virtually.' After a trial with one care home, the sessions were so popular that they ran fortnightly. The songs ignited memories for older people which they loved to share. There were many conversations and much laughter, and also prayers and readings.

Karen said that the corps was once again filled with joy and laughter. 'It was really good to see people interacting with each other and the team, and feeling that they are not on their own,' she added. As restrictions lifted, in-person sessions began and others joined the group remotely.

Welcome return for Joyce

Joyce had been attending get-togethers on Monday and Friday at The Salvation Army's Elderly People's Day Care service in Sudbury since 2016. During lockdown she was low, but was so much happier again when the centre reopened in August 2021. Joyce said: 'Everyone is very friendly and great company. I do things like painting and knitting, and just talking to people.' Pam, Joyce's daughter who volunteers for the service every Monday, said: 'It's good for meeting people and making new friends. If my mother didn't come to the day centre, she'd just be at home supported by her carer and family members.'

Kathryn Pettitt, co-ordinator at Sudbury, said: 'We have an activity session in the morning. We also run chair-based exercise classes and bingo. There really is something for everyone, and if people can't manage it we'll change it round so they can.'

Daily Hope on call

Since its launch in April 2020, the Daily Hope phone line has received more than 550,000 calls. During this year in review, around 20,000 older people called each month for hopeful comment and peaceful reflection.

As well as messages and hymns for older people, Daily Hope started to include regular reflections from The Salvation Army's Older People's Ministries too.

Andrew Wileman, Assistant Director of Older People's Ministries, said: 'The phone line provides spiritual sustenance to thousands of older people each day. Our "Songs of the Faith" series has been really well received on Facebook, and we are delighted to be able to share these devotional insights further through the Daily Hope phone line.'

REAL OPPORTUNITIES FOR DISABLED PEOPLE

We believe that everyone should be treated as an equal regardless of an individual's disabilities. We make sure that people with disabilities are given real opportunities to take part in activities and we run specialist programmes for people with a learning disability. Here are some highlights from this year.

In his Hands at our Enabled Summer School

Enabled is a Salvation Army programme for people with learning disabilities, where they can truly be themselves and be accepted.

As many people with learning disabilities were still shielding due to Covid, we decided not to hold the usual Enabled Summer School of Arts in Cheltenham but to hold an online Summer School at Home for the second time.

During the week, 64 virtual sessions were broadcast on the Enabled Facebook group, YouTube and Zoom. The theme was *In his Hands* and the key Scripture was 'I have engraved you on the palms of my hands' (Isaiah 49:16). The Salvation Army song 'I'm in his hands' featured in the choral, music and worship sessions. Each day began with worship, with sessions led by Enabled members and supporters including Majors Paul and Christine Kingscott.

In daily 'This is Me' sessions, Enabled members and supporters gave insights into their lives, their achievements and the challenges they had faced. The fellowship sessions included a Bible study, Godly Play, a faith talk and an art-based Bible study.

Other sessions included art, photography, crafts, mindfulness, open house, drama and a magic show. Highlights were a talent show and a virtual disco held over Zoom, with many dancing for three hours.

What participants said:

Rachael - Nottingham

'Everybody is treated the same whoever they are and encouraged to join in and try new things. Enabled is like a family who love and support each other.'

Mary - Knottingley

'I was not able to watch much of the summer school when it was broadcast, but had a lot more time the next week to catch up. That's one of the bonuses of having it online! What I saw was excellent, especially the worship and "This is Me" sessions.'

James - Sudbury

'Enabled means that I can relax in fellowship with others. It has given me the confidence to get involved and know I can achieve stuff, both at Enabled and within my corps.'

Connections and reflections

Our Fresh Expression Team continued to connect with people in all sorts of ways to create opportunities for spiritual wellbeing, as part of our recently opened Strawberry Field Centre for people with learning disabilities in Liverpool.

At Easter, after a Facebook Live reflection, the team took a handmade cross to individuals in the community who had agreed to join them. They stood in the street together, shared a reflection and then had a few moments to pause at the cross. One family who had been shielding for the past year were blessed as they stood outside their house.

Volunteers crafted Easter bunnies and delivered them to homes. One woman cried as she was 'so overwhelmed by the kindness shown from Strawberry Field'. On Easter Sunday a reflection by team member Karen Carter was posted on social media and presented on Premier Radio and BBC Radio Merseyside.

Easter people

In April 2021, more than 170 Enabled members across the territory joined for a virtual weekend of fun and fellowship, taking part in 18 interactive sessions.

On Easter Sunday, Chief Secretary Colonel Paul Main and Territorial Secretary for Leader Development Colonel Jenine Main led worship. They helped delegates experience the senses of Easter by listening to video clips, singing songs, feeling a silver coin, smelling and eating bread, eating a grape and smelling and touching a wooden cross. This proved to be a powerful way to experience the Easter story.

As well as joining in worship, participants shared their experiences of living with a learning disability. Mandy and Tristan Lanceley were among them. Mandy spoke about her early years spent wearing body braces and in traction, as well as having surgery to correct her scoliosis. Tristan is a talented musician and graduate of the Brit School, despite being unable to read music.

Commenting about the weekend, Tristan said: 'Thank you for a fun and uplifting weekend. We joined together through the powerful love of God and the love we have for each other.'

READY IN A CRISIS

As a Christian church with a strong social conscience, we seek to alleviate distress wherever it is found and to fulfil a crucial role during and after a major emergency. This year, the church and charity had another busy year responding to storms, floods, fires and other incidents.

In action at emergencies

In Kent - Salvation Army church leaders and volunteers helped people in Ashford, Kent, after an explosion destroyed two houses in May 2021. Major Bramwell Hayes and Captain Rhonda Hayes from Ashford Salvation Army delivered refreshments to the local authority rest centre set up at St Mary's Church, Willesborough, for nearby residents evacuated from their homes.

In Lancashire - We supported 999 workers and residents who were evacuated from their homes in the early hours after a suspected gas explosion in Heysham. Tragically a two-year-old boy died and four people were injured. The Salvation Army's emergency response vehicle team arrived at 4.45 am. About 80 firefighters, 40 police officers, 15 paramedics, 40 council staff and 90 residents were given food and drink at the scene.

Major Nigel Tansley, who runs the church and charity's emergency response vehicles across the north west, said: 'We were also able to offer a listening ear to those who needed it. I spent most of the time speaking with fire crews and people whose homes had been damaged. It was a distressing situation and our thoughts and prayers are with everyone affected.'

Around the country - Our emergency response teams, including officers and volunteers, mobilised to offer help in the aftermath of Storm Eunice in February 2022. Homelessness centres in St Helens, Blackburn, Coventry and London gave emergency beds to dozens of rough sleepers. In Stockport, the Army provided food, drink and emotional support to fire crews, mountain rescue teams and Hazardous Area Response Team paramedics.

The Army also distributed hot drinks and food to more than 60 homes in the village of Botesdale, Suffolk, where a tree crashed through a power line and left residents without electricity for three days.

In Essex - Salvation Army leaders welcomed a new partnership with Essex County Fire and Rescue Service to support firefighters at large-scale incidents. Similar partnerships already operate with other fire and rescue services in the UK. Ryan Ainger, Operational Policy Station Manager at Essex County Fire and Rescue Service, said: 'On behalf of our Service, I'd like to thank The Salvation Army for their support, which will make a big difference to our firefighters.'

In Wales - The Salvation Army Emergency Response Unit supported a multi-agency, real-life training exercise that took place in March 2022 at the Severn Tunnel Junction. This included providing refreshments for over 100 firefighters from the South Wales Fire and Rescue Service. Adrian Clee, Territorial Emergency Response Officer, said: 'It's helpful to take part in these exercises, to give volunteers an opportunity to practise and to see the work that we do during an emergency response.'

PULLING TOGETHER TO GENERATE INCOME

As a church and charity, The Salvation Army has to generate its own income. A proportion of our income is given through church membership, but significant amounts are secured in other ways. We could not do what we do without the amazing generosity of the UK public. In this section we illustrate some of the ways in which we have achieved this in the last year to help sustain the services that we offer across the UK for some of the most marginalised people.

Charity shops re-open

Salvation Army charity shops in England and Scotland reported record sales after reopening in May 2021 following the easing of Covid-19 restrictions. Some charity shops are run by our local corps (churches and community centres). Others are managed by our wholly-controlled subsidiary trading company.

We have not often featured the work of charity shops in our report, but it is a very visible and important part of our presence across the UK. Though some safety measures were still in place, shops run by our corps reported customers queuing out of the doors. Stores run by Salvation Army Trading Company (SATCoL) reported first-day trading sales that broke previous records and received double the usual volume in donations. Donating and shopping in a charity shop is a great way to support the church and community.

Debbie Charles, Territorial Community Engagement Lead for The Salvation Army, who works closely with corps charity shops, said: 'Our charity shop managers, corps officers and volunteers have done a fantastic job of keeping the community involved even while they've been shut.'

Tonnes of support

Through our partnership with Asda, The Salvation Army received a tonne's worth of clothing, textiles and bric-a-brac from generous customers each week at its Drop and Shop site at the supermarket's sustainability store in Middleton, Leeds.

Kirk Bradley, Salvation Army Trading Company's Head of Corporate Partnerships, said: 'By donating to the Drop and Shop or our clothing banks, people are supporting the work being done across the country to help some of the most vulnerable people in our communities. Providing essentials like hot meals for rough sleepers, food parcels for struggling families and doorstep friendship for isolated older people has been invaluable during the pandemic.'

Valuable volunteers - Sue's story

When Sue, a regular volunteer at our Penrith Corps, lost her partner four years ago she found the church very supportive and it helped her through that bad time. It was during this year that Sue clocked up over ten years as a volunteer, serving hot meals to vulnerable and isolated people. She said: 'It's giving something back via The Salvation Army who have helped me out in times of need.'

When we asked what she liked about volunteering, Sue replied: 'I enjoyed having regular conversations with people who would drop off donations, getting to know them and thanking them for what they were doing.' She added: 'We're a good group, we're very friendly and muck in together, and for me it's about company. There are six of us, we're such good friends and help each other out and have a laugh. It's hard work but rewarding.'

Running to raise funds

In October 2021 Headteacher Seb Gray and Assistant Head Jo Ball, of Laurance Haines School in Watford, were among those who ran the Virgin Money London Marathon to raise vital funds for The Salvation Army. Seb and Jo had formed strong links with the local corps, which grew stronger during the pandemic when the corps supported families at the school and in the community with food parcels, housing and pastoral care. The school organised different fundraising events, including a 'Break the Rules' day, pupils running a daily mile and bake sales to help the pair reach their £5,000 target.

Seb said: 'The Salvation Army has become a really proud partner for us throughout the pandemic.' Jo added: 'I've always had the ambition to run a full marathon, so to be able to cross it off my bucket list - and run for The Salvation Army - is great.'

Giving the joy of toys

In November 2021, toy retailer The Entertainer joined forces with The Salvation Army to launch The Big Toy Appeal - a campaign aimed at giving as many children as possible the joy of opening a present on Christmas Day.

Providing Christmas presents for children can place additional pressure on families where budgets are already incredibly stretched. Many families already turn to charities like The Salvation Army for support, using food banks and other donations to help them through the Christmas period.

The Big Toy Appeal encouraged customers to pick up an extra toy to donate when they visited The Entertainer stores or online shop. For every toy donated by customers, The Entertainer donated a toy, doubling the number of donations. The target was to reach 100,000 toys.

Gary Grant, Founder and Executive Chairman at The Entertainer, said: 'At The Entertainer we believe that childhood is a right, not a privilege. We are so grateful for the generosity of our customers. Each year our Big Toy Appeal supports an ever-increasing number of families, with over 60,000 toys donated so far.'

SEEKING JUSTICE AND RECONCILIATION

Throughout the Old and New Testaments, the call for us to do justice is clear. ‘Commit yourselves to seeking justice. Make right for the world’s most vulnerable - the oppressed, the orphaned, the widow’ (Isaiah 1:17 *The Voice*).

Standing against injustice can be as simple as supporting a vulnerable neighbour or providing food for someone who cannot afford what they need. Yet certain groups, individuals and issues continue to be under-represented. While it is easy to stand back and criticise from afar, it is much more effective to engage and offer a different perspective as we strive towards fullness of life for all with Jesus - as these examples of our work show.

Speaking up for vulnerable people

At the end of September 2021, furlough was due to finish and the full impact of the pandemic was yet to be felt. Unemployment was expected to rise and push more people on to dependence on Universal Credit. As one of the signatories of the Joseph Rowntree Foundation’s *Keep Our Lifeline* campaign, we urged the Government to reconsider ending the Universal Credit uplift of £20 at the month end.

Before the pandemic, many people had been struggling in the Universal Credit system. We had been urging the removal of the five-week wait for Universal Credit, which was forcing many people to take out a bridging loan to survive. We had noticed an increase in people using food banks to feed their families, so they could pay back Universal Credit accrued debt.

Lieut-Colonel Dean Pallant, Secretary for Communications, said: ‘The furlough scheme, the Universal Credit uplift, rental eviction protection and the “Everyone In” drive to shelter rough sleepers has protected millions from illness and extreme poverty during the pandemic. We agree with the emphasis on creating jobs and developing skills. However, removing the Universal Credit uplift at the same time as the furlough scheme ends, risks pushing more vulnerable people into poverty.’

Caring for God’s amazing creation

The Salvation Army UK and Ireland Territory is already a part of the Climate Coalition. During the year we revised our vision and mission statements to make ‘Care for creation’ one of five mission priorities.

In November 2021, Salvation Army churches and centres took climate action to ensure that care for the world remains a top priority in the wake of the COP26 climate conference in Glasgow. Lieut-Colonel Carol Bailey, The Salvation Army’s Secretary for Scotland, joined with other faith leaders in the country to call for urgent action in limiting the effects of climate change and to highlight the critical importance of decisions made at COP26. In addition, General Brian Peddle, The Salvation Army’s international leader, announced the church and charity’s updated [International Positional Statement on Caring for the Environment](#), to act as guiding principles for The Salvation Army around the world.

At least ten Salvation Army churches in the UK and Ireland committed to being ‘eco churches’ - with ‘caring for the world’ running through all they do, including the Forest of Dean and Watford.

The Salvation Army also launched a range of resources to support churches, young people and children in their love of the outside world and to encourage climate action - including:

- 'Get OWT!' for toddler groups - encouraging toddlers and their carers to learn to love the outdoors, run by ten Salvation Army churches and ten churches of other denominations^[11]_{SEP}
- Climate-focused resources for children and young people: 'Witness with the World' is aimed at young people's groups, and 'Explore It' for younger children^[11]_{SEP}
- A new Bible-based small group resource for adults titled 'Big Questions for Small Groups: The Environment'

Understanding People, Understanding Places

During the year we published a report aimed at influencing the Government's Levelling Up agenda, *Understanding People, Understanding Places*. It was the biggest social mapping exercise in The Salvation Army's recent history. Our headline finding was that a third of England's most deprived areas would not benefit from the Government's £4.8 billion Levelling Up fund.

Key findings:

- The Government prioritised 93 areas, but our report identified a further 45 in urgent need of investment.
- Our analysis showed a number of high-priority coastal areas missed from the calculations - including the North West, East Midlands and South West - which should have been high priority.
- The Government's analysis of need was mainly based on unemployment figures, whereas we analysed the local labour market in more detail - showing the impact of zero hours contracts, seasonal employment and shrinking traditional industries on finding stable work.
- Lack of access to childcare was one of the key barriers to people finding work.
- The Government broke England down into 315 areas of which 93 were deemed a priority for funding. We broke the areas down into 345 areas and prioritised 116 areas as in most need of investment.

Rebecca Keating, The Salvation Army's Director of Employment Services, said: 'We want to encourage the Government to listen to the communities who need their help. Look up from the spreadsheet and see what we are seeing on the ground.'

We called on the Government to:

- Reconsider how funding is allocated from the Levelling Up fund, with coastal communities being recognised as an investment priority.
- Develop a new plan of investment in accessible childcare to allow people to access work and training opportunities.
- Engage with communities to identify what investment will best 'Level Up' these areas.
- Invest in skills and employment support, to help individuals out of low-skill, low-wage employment.

Speaking out against racism

In July 2021, Italy won the UEFA European Football Championship final beating England by 3-2 on penalties at Wembley Stadium. The occasion was soured by unacceptable racist abuse suffered by England footballers. Racism is fundamentally incompatible with the Christian conviction that all people are made in the image of God and are equal in value. The Salvation Army believes that racism is contrary to God's intention for humankind.

Territorial Commander Commissioner Anthony Cotterill issued the following statement:

‘The racist abuse suffered by England footballers following the final of the Euros was totally unacceptable and has been rightly widely condemned. This team of young men have inspired us both on and off the pitch with their strength and conviction to make the world a better place.’

Commissioner Cotterill asked people to stand in solidarity with England’s footballers and to gather friends, family and fellow Salvationists and use the Let’s Talk About Racism materials to come together and learn how to fight racism.

Working towards justice and reconciliation in respect of LGBTQ+ people

The Salvation Army is committed to learning with and supporting people irrespective of human sexuality and gender identity. During the year under review, we published a statement confirming we wish to be open, hospitable and welcoming to all people and rejected ‘conversion therapy’ (<https://www.salvationarmy.org.uk/conversion-therapy>).

A new resource was launched aimed at helping give youth workers the tools and knowledge to make all young people feel safe, happy and loved when they engage with our churches, no matter their gender or sexuality. The resource helps youth workers understand something of what it’s like to be a LGBTQ+ teen in the Church, to give a vocabulary to be able to engage in conversations around the issues they may be facing, and to give youth workers some advice on how to approach pastoring LGBTQ+ young people.

LIVING AS DISCIPLES

More than 1.5 million people around the world worship every week at The Salvation Army. We are a Christian church and the spiritual home for many people who don't attend worship on a Sunday. As disciples of Jesus Christ we give ourselves fully to the work of the Lord. In the examples below we show how faith in God lives in our people and in the good work they carry out for others.

Raising children's leaders

During the year we continued to equip and develop our youth and children's leaders to perform their roles effectively through *Raise*, our innovative online training course.

Delivered through The Salvation Army's iLearn portal, *Raise* prepared all prospective volunteer children's leaders for their work with children, with other leaders and with families within a Salvation Army context. They undertook nine short modules, covering relevant topics such as faith development of children, leadership skills, pastoral awareness, working with families, programme planning, children in the community and online children's ministry.

From *Raise*, we are growing a new generation of vibrant, passionate leaders for children - creating space and opportunities for children to encounter God for themselves, grow in faith and be active participants in mission and service.

Messengers of Grace

Every summer we ordain and commission the cohort of cadets who have completed their training and formation for full-time officership in The Salvation Army, mostly at our residential training college in London. Every such session across the world is given the same name to guide and inspire and identify them. This year the session name was Messengers of Grace.

The commissioning (ordination) event in July 2021 was a mixture of live and pre-recorded elements, and proved to be a moving, inspiring and joyful occasion. William Booth College Principal Lieut-Colonel Judith Payne welcomed the cadets' family members and a small number of invited guests, as well as many more watching the live stream. She said: 'The Messengers of Grace will be commissioned and sent out to join the amazing Army of God's people, ready to serve the needs of the people around, sharing the good news of grace that they themselves have received.'

The 19 cadets entered the college assembly hall and took their places. People at home were able to sing, though those in the hall were unable to do so because of Covid-19 restrictions. Each cadet gave a statement connected with the verse 'By the grace of God I am what I am' (1 Corinthians 15:10) - for example, 'I am a witness for Jesus', 'I am growing daily' and 'I am sent to love'.

Cadets still in training formed a circle around the Messengers of Grace and prayed silently as photos of them appeared on the screen. Viewers were invited to share prayers on social media. The session's dedication song, 'Covenant of Grace', was presented on video. During the first two verses the cadets were shown individually kneeling in prayer, before gathering outside on the quad to sing the final verse and chorus.

The session then recited the Army's 11 Doctrines and promised to live by them, serve others and be faithful officers. In the moving moments that followed, the cadets stepped

forward one by one to be commissioned and hear Bible verses specially chosen for each of them.

Post-pandemic papers

As lockdown eased, many Salvationists reached out to their communities by reinstating or increasing their *War Cry* and *Kids Alive!* newspaper orders to sell in high streets across the UK. Rachel Frost, community mission facilitator at Buckhaven in Fife, said: 'The corps decided to increase paper orders to include the young people who attended our kids clubs. These young folk now receive a *Kids Alive!* in their weekly packs and have particularly enjoyed the puzzles and the stories.' Corps also welcomed participating in renewed ministry on the streets. Rachel said she found there was a fresh interest in Salvation Army publications and quite often they would run out of copies of the papers.

Swanage Corps in Dorset has also increased order for publications. Major Katrina Greetham explained that their *War Cry* herald Graham was looking forward to getting back to serving his people. She said: 'During lockdown Graham delivered copies each week to the regular customers who live within walking distance. That means he kept in contact, even if it was just by putting the papers through their letterboxes.'

Over the year many other corps have worked tirelessly to support the Army's publications ministry. As the Covid-19 restrictions gradually eased and public places opened up again, the Publishing Department looked to consolidate these efforts with the launch of the 'Herald's Challenge'. The challenge encouraged corps to come up with new and creative ways of selling and distributing more papers.

Spreading the good news

In March 2022 we entered the final stages of building a new territorial website, salvationist.org.uk: a go-to digital space for people linked to The Salvation Army, providing stories, devotional and mission resources and information about events and learning opportunities. It sits alongside our main website which is aimed more at public audiences.

We wanted people to be involved in its development, and so during December and January we invited people to apply to be part of a group that would meet once a quarter to share ideas for content and user experience. It included people of all ages, from various local contexts and countries in the territory, with different ethnicities and with lived experience of disability. It also included those with various connections to The Salvation Army - officers, soldiers, adherents, attendees and volunteers.

Messages of hope

At the outset of the pandemic, when it was suggested that Commissioners Anthony and Gillian Cotterill, leaders of The Salvation Army in the UK and Ireland, shared weekly messages on YouTube and in *Salvationist* magazine, they thought it might be for just a few weeks. However, during the year they delivered 58 such messages.

Commissioner Anthony said: 'When we started, the purpose of the messages was to encourage people to trust God and to take hold of opportunities. This allowed us to thank people at the front line of ministry and service too.' Commissioner Gill added: 'Not forgetting corps and community centres, and all who have adapted their ways of working and been really innovative.'

Moving into a new phase of the pandemic, the couple were mindful that there were still challenging days ahead, and that many communities were really suffering and needed their prayers. Anthony said: 'We've encouraged people to take time out to reflect, reassess and plan, and not to assume that we're going back to how things were 18 months ago.'

In June 2021, the couple decided they needed to do the same. They paused their weekly video message and took time to pray, reflect and reassess where they were. Gill said: 'In time we might come back in a new format, and maybe even a new line-up. But now that we're able to, we will be leading our first face-to-face meetings for some time.'

A spiritual hub for COP26

In Autumn 2021 The Salvation Army's community church in the heart of Glasgow became a spiritual base for people attending the COP26 climate change conference. The aim was to provide a cross-denominational opportunity for conversation and signposting to services, meetings and church events for all interested in climate change aspects.

Scott, who leads The Salvation Army church in Anderston with his wife Loretta, said: 'We were right next to the main conference venue and were there every day from 8 am to 8 pm to provide hot meals and support for those attending the conference, as well as the many pilgrims in the city.'

The Army also hosted Nourish Scotland, a charity focusing on food policy and food justice, so we designed a menu that contained sustainable and ethical produce. Our aim was to educate the people we fed about how these sorts of items can be incorporated into daily life.

A WORLD OF GOOD

Introduction - overview

The Salvation Army is an international Christian church worshipping and working in 133 countries. During the year, we continued to support the international mission work of The Salvation Army, including development work and providing relief to those affected by disasters overseas, as these examples show.

Rallying to support Afghan refugees

The Salvation Army has continued its long history of supporting refugees by helping Afghan nationals who arrived in the UK following evacuation in August 2021. Around 10,000 refugees came here over the course of this year and, along with other charities, we provided a range of support. Examples include:

Heathrow - At the start of the evacuation, Majors Stephen and Christine Perkins, Salvation Army officers serving as chaplains at Heathrow, joined a huge team at the airport in response to the crisis.

Noticing there were many children arriving, the couple appealed to The Salvation Army's nearby church in Staines who loaned them toys and games. Major Stephen said: 'The children were very sombre and subdued, but they really came to life when we played and interacted with them. It was a very humbling experience and we felt privileged to play our part as Salvation Army chaplains. We were present for each of the days over 12 hours.'

Northampton - The Salvation Army worked with other organisations to support 155 refugees who arrived in the town in September 2021. They set up a distribution hub to meet the group's immediate needs with clothing and other items.

Other locations - Salvation Army volunteers from Ilford supported a donation centre at Redbridge Town Hall. Our churches in Watford, Stocksbridge, Ramsgate, Swindon, Feltham, Twickenham, Teddington, Hoxton and Crewe are among those who supported refugees arriving in their areas.

Protecting Ukrainian refugees

As Salvation Army people and programmes in Ukraine, Russia, Poland, Romania, Moldova and other European countries responded with humanitarian aid, our network of modern slavery specialists also addressed the risk of refugees being exploited in the chaos of war.

Galina Chetroi, Modern Slavery and Human Trafficking Response Consultant for The Salvation Army, said: 'People were scared, anxious to protect their children and worried for their husbands, dads and brothers who were left back home. In all that, the last thing on their minds was human trafficking and that it could happen to them.'

We provided practical assistance and shared information (translated into Ukrainian) to alert those fleeing about their rights and risks. We also used our contacts to get women and children to a safe place. On top of this, we shared updates from the frontline with anti-trafficking networks.

Major Kathy Betteridge, Director of Anti Trafficking and Modern Slavery for The Salvation Army in the UK and Ireland, said: 'We must now do everything in our power to prevent new people becoming victims, especially as criminal networks are already well established in countries close to Ukraine such as Romania.'

Inside Ukraine - shortly after the conflict began, a Salvation Army Major received a message that 22 babies had been born in the subways in Kyiv. More than 15,000 people, mainly women and children, had taken refuge there to escape the fighting. The Salvation Army provided nappies, hygiene products and formula for the mothers, some of whom gave birth prematurely because of the stress. We also provided emotional support for the women and their families as they sought refuge.

Inside the UK - The Salvation Army welcomed the Government's Homes for Ukraine scheme, which allowed Ukrainians fleeing war and destruction to come to the UK.

Vaccines - share and share alike

The Salvation Army's leader in the UK and Ireland joined global faith leaders calling for an end to vaccine hoarding by wealthy nations to ensure people in all corners of the world can be protected from Covid-19.

In April 2021, Territorial Commander Commissioner Anthony Cotterill signed a statement, along with 144 other religious leaders, calling for the fair distribution of vaccine doses to low and middle-income countries. It also called for the production and distribution of vaccines to be ramped up to meet global demand.

The religious leaders' statement gathered by Christian Aid said: 'If one part of the world is left to suffer the pandemic, all parts of the world will be put at ever-increasing risk. The access of people to lifesaving Covid-19 vaccines cannot be dependent on people's wealth, status or nationality.'

LOOKING FORWARD AS A MOVEMENT:

2021/2022 can be best described as a year of recovery, renewal and realignment.

It was the year our churches opened up once again for in-person worship. This happened at differing paces across the UK, but there was an overriding sense of joy as we found new ways to worship under the differing restrictions. Being 'back together' was a wonderful feeling felt across our corps in the UK. However, the pandemic has meant changes to numbers. We are committed to maintaining and regrowing our church membership and our worshipping congregations. 'Church' is all about relationships, and moving into 2022/2023 we will continue to explore new ways of building active congregations and offering worship and the exploration of faith to as many groups as possible. As an example, we are committed to maintaining our investment in Core Recovery, aimed at offering a form of worship to people who have experienced homelessness and addictions.

We will continue to serve our communities with commitment and conviction that this is what we need to do. At the time of writing, the cost-of-living crisis is biting hard and the practical programmes we run in towns and cities across the UK are needed more than ever, from community supermarkets to breakfast and after-school clubs, from baby banks and school clothing banks to food banks and 'warm places'. We commit to providing the funding to allow our local centres to decide what they need to do and to release them to meet need, without discrimination or judgement.

We will continue to invest in our grant to The Social Work Trust to add value to the local authority and government funding to allow us to give the best possible support to the service users we look after.

We will continue our ongoing commitment to find ways to enable our corps and centres - our local mission delivery - to flourish. As part of this, we are committed to ongoing adaptation, change and the reallocation of the investment of funding and resource to ensure it is applied to where the outcomes will be greatest and most keenly needed.

We will continue to invest in our digital presence to ensure we are building awareness and future support from the audiences we need to engage with. We commit also to help shape government policy and challenge policies in support of the people who are at the very heart of our mission.

We are excited about the future, and we commit to challenge ourselves constantly at local level to ensure we are identifying the areas of community work and ministry that are needed and to which we can add the most value. Many people see us as the understanding and responsive heart of the community, and that is what we intend always to be - agile and responsive, wise and understanding, strong and principled, focused on enabling fullness of life for all, with Jesus.

MODERN SLAVERY AND ANTI HUMAN TRAFFICKING STATEMENT

As The Salvation Army in the United Kingdom and Ireland Territory, we hold a zero-tolerance stance on acts of modern slavery and human trafficking and on any breach of our Ethical Policy and will not condone any such action by our contractors, suppliers or consultants. We take this issue very seriously and are committed to preventing acts of modern slavery and human trafficking from occurring within our supply chain. Our Procurement Ethical Policy is integral to all supplier contracts and sets out the overall standards surrounding human rights, child labour, discrimination, corruption, bribery or other financial impropriety, legal compliance and ethical conduct with which our suppliers must comply.

A Supplier Ethical Declaration is referenced in the standard purchase terms and conditions of The Salvation Army, and compliance is a contractual requirement for all suppliers operating under these standard terms and conditions. In addition, all suppliers and contractors submitting tender responses must confirm their agreement and acceptance of the terms and conditions and sign the ethical declaration and apply these standards to their own supply chains.

Our Procurement Unit continually reviews its supply base, examining suppliers in those areas that represent the highest risk of modern slavery, particularly in spend areas relating to temporary labour, cleaning, catering, linen, branded goods and building services. Where possible, trade and industry best practice standards are used as the benchmark and The Salvation Army has adopted the use of Constructionline for tendering and selecting building suppliers.

Due to the importance of training and education in the fight against modern slavery, the Procurement Unit has partnered with Stronger Together to deliver training to members of its team on identifying potential victims of modern slavery. All members of the Procurement team complete the Chartered Institute of Purchasing and Supply ethical procurement assessment annually.

The Procurement team holds regular Helping The Salvation Army Buy Better training seminars for stakeholders where ethical supply chain issues are covered. The Procurement team has also hosted a supplier conference with a specific focus on providing education on combating supply chain labour abuses. The commitment to ensuring ethical supply chain standards is also embedded in the recently adopted Salvation Army Fiscal Stewardship Principles and the Procurement Unit will be asked to report against these standards regularly.

OUR APPROACH TO FUNDRAISING

Context:

The Salvation Army Trust, which is the charity registration through which our church and community-based operations are run, relies very heavily on income generated by fundraising and the continued support of individuals through gifts in Wills to keep our diverse services alive and operating across the UK.

We meet the constant challenge of raising these funds in different ways:

- Local Salvation Army corps (churches) and community centres are expected to actively fundraise within their church membership and in their wider community to support their community programmes.
- Salvation Army church members give generously as part of their personal commitment to God, to their corps and to the wider Salvation Army.
- In addition, there is a centrally co-ordinated fundraising operation which manages the disciplines of national fundraising programmes and provides additional resources and support to corps-based fundraising, and provides support to members of the public who want to raise funds for The Salvation Army. Principal activities of this are commented on below.
- We also actively but sensitively ask members and supporters to consider including The Salvation Army in their Will.

Fundraising for the financial year 2021/2022 was influenced by the pandemic and the ways in which we responded are illustrated below.

Relationship between The Salvation Army Trust and The Salvation Army Social Work Trust

Fundraising for The Salvation Army's overall work across both its charitable trusts is carried out under the registration of The Salvation Army Trust and therefore fundraising activity, income and expenditure are accounted for in this Report.

The Salvation Army Social Work Trust funds our centrally managed residential services for homeless and older people, as well as other centrally co-ordinated programmes such as our modern slavery services, Employment Plus service, and programmes for people with addictions and disabilities. Almost all government funding is accounted for in The Salvation Army Social Work Trust which has a separate charity registration and consequently a separate set of Report and Accounts which form a 'sister' publication to this. They are filed under charity registration number 215174 (England and Wales) and SCO37691 (Scotland).

A proportion of fundraised income in The Salvation Army Trust is granted to The Salvation Army Social Work Trust each year as part of the planned budgeting process, in line with our objects. This grant helps to meet the cost of the additional support we offer to our service users, on top of government and local authority funding. Our fundraising appeals to the public feature the work of The Salvation Army across both trusts so there is absolute transparency that the funds donated go to support the work we illustrate in

public appeals. The Gift Aid collected on behalf of The Salvation Army Trust and The Salvation Army Social Work Trust is compliant with the HMRC requirements.

Corps-based (church) giving and local fundraising:

The UK Salvation Army has 625 corps and community centres across the UK. Each corps or centre will develop programmes and services that are geared to meeting the needs of the people in the community, so there is huge diversity across the UK. Each local Salvation Army centre is expected to find ways to raise funds to support their local work as much as it can. This is achieved in several ways.

Church membership giving totalled £16.6 million in the year ended 31 March 2022, an increase of £0.35m over 2021/2022. This may well be a result of more congregational worship resuming as pandemic restrictions eased. It is a substantial offering and this income from church members helps to sustain the local life of The Salvation Army as a church and meet as much of the operating overhead as it can. Despite the suspension of and restrictions on congregational worship because of Covid, members continued their giving in a spirit of generosity.

In addition, **local fundraising by our corps (churches)** delivered approximately an additional £19m (public donations) which helps fund the practical support that is needed in the communities that The Salvation Army serves, examples of which are described in the narrative of this Report. Christmas carolling in town centres and street collecting are two of the familiar ways in which corps raise funds. The onset of coronavirus put a stop to most public fundraising, but many corps turned to digital ways of fundraising early in the pandemic and using tools such as JustGiving were able to continue to raise funds for local coronavirus impact relief work, such as food parcels.

Salvation Army church membership also actively engage in two main annual fundraising drives: the **Self-Denial Appeal** and the **Big Collection**.

The annual **Self-Denial Appeal** in February and March 2022 helps fund Salvation Army work in overseas territories. In 2022 the appeal raised £981k, a decrease of £259k compared to the 2021 appeal. This is likely due to membership numbers in corps still not returning to normal throughout 2021/22.

The Salvation Army **Big Collection** is an annual public campaign in September, whereby church membership actively raises funds to support our Social Work Trust, supporting programmes for people experiencing homelessness, older people, and people needing help with addictions. Against a total of £733k raised in September 2020, in 2021 we raised a total of £503k. Whilst public fundraising could take place again, the pandemic and change in fundraising landscape resulted in a reduced amount of house-to-house collecting taking place. Despite this, income was still 69% of the previous year.

National Fundraising:

Our centrally co-ordinated fundraising programme sensitively deploys many disciplines of fundraising in order to generate income for the work of The Salvation Army. Because the proportion of our donated income that derives from direct debits and regular giving schemes is small at around 10 per cent of cash donations, the donations and legacies that are received during the financial year are the ongoing lifeblood of our organisation.

The funds raised from national fundraising programmes go directly in the form of grants and mission support funding to enable corps to work within their communities where there

are insufficient funds locally. Funds raised also help meet the cost of refurbishing our buildings and emergency repairs to ensure they are compliant and fit for the delivery of community programmes. Funds raised will also form the annual grant across to The Salvation Army Social Work Trust to provide additional services for our work with people who are homeless, older people and people with addictions.

Appeals to the public:

In 2021/22 we saw incredible generosity. We received a total of £72.9m in donations from the public. As noted above, approximately £19.2m was raised locally by individual Salvation Army corps, and the remainder, approximately £53.7m, was secured by national and centrally co-ordinated fundraising activities, summarised below. Furthermore, we received a total of £66.3m in legacies.

As the pandemic subsided and the country re-opened we were unsure how donations would be affected, but we were incredibly grateful that in difficult economic times supporters and the general public continued to give so generously. Total public and supporter donations in response to our national appeals programme for 2021/22 was £53.7m. This was a drop from the exceptional £66.9m raised during 20/21 but is significantly up on the £42m raised in 19/20. This total includes regular giving and Gift Aid income.

All appeals to our supporters raised significantly more than expected, with many supporters choosing to donate online. The national Christmas appeal continued to be our most important fundraising moment raising £23.7m. Of this total, £14m came from our incredibly loyal and generous supporters, while almost £260k donations came from supporters who gave to us centrally for the first time.

The Salvation Army would want to put on record here its sincere appreciation of the support that our donors and the public have given during a year of continual change.

Legacies:

We are deeply grateful to those people who remember us in their Will with a bequest. This is a hugely important income stream in support of our work, and protecting and sensitively encouraging this income is an important task.

We received a total of £66.3m (£57.4m in unrestricted legacies and £8.9m in restricted legacies) in legacies during 2021/22, an increase of £17.9m compared with legacy receipts in 2020/21. Tracking indicates that around 67 per cent of our legacies comes from our existing supporters, and approaching these supporters as well as the public with a sensitive suggestion to consider leaving a gift in their Will is an important part of protecting the future of this very important income pipeline.

We took part in Free Wills Month in October 2021 and March 2022 which raised our visibility to the wider public, as did our first-ever legacy door-drop campaign. We also ran campaigns on Facebook throughout the year promoting our online free Will writing partnership with Bequeathed. In August we wrote to our supporters asking them to consider leaving us a gift in their Will which resulted in significant response. Enquiries continued to increase over the year, and we take a sensitive and a strong personal approach to enquiry handling and stewardship.

Grant-making trusts and foundations:

Grant-making foundations and charitable trusts provide a vital contribution to many of our projects. We would like to express our sincere gratitude for their support. During 2021/22, we received over £2.5 million from charitable trusts and foundations in support of more than 200 local Salvation Army projects across the UK and internationally. The grants have contributed to the running costs of vital support projects including community food stores, debt advice and employment services.

As an example, with support from charitable trusts and foundations The Salvation Army in East Ham, London, has opened the first Salvation Army community food store. The store called Community Corner is a low-cost supermarket open every Tuesday and Wednesday, which is helping 30 families in the local area. Each week a household gives a £3 donation towards their food and household items, and can take 30 items that they choose themselves. The service we offer is friendly and holistic with most of the families also receiving additional support through other Salvation Army services such as debt advice, employment help and children's groups.

We are supporting families facing many issues, including those living in debt, survivors of domestic violence, people with mental health issues, refugee families and people who have no recourse to public funds.

Grants have also contributed towards the costs of refurbishing or creating new centres and the salaries of project staff. As an example, funding from charitable trusts and foundations has supported the renovation of the ground floor and gardens of Ashbrook, a Victorian house in North Edinburgh bought by The Salvation Army in 1928. After it closed its doors as a Lifehouse over nine years ago, our generous supporters have helped us to breathe new life into the property and create a great resource for the local community. Ashbrook now offers a community, dementia-friendly café, training and catering facilities, a therapeutic garden and volunteering opportunities.

Corporate giving:

2021/22 was a fruitful year for corporate fundraising. We received £10,000 from Pickfords last autumn in support of the Partnership Trophy - a football tournament for those who have experienced homelessness. We also received £10,000 from Alpha Labs and £66,000 over three years from Clearly Drinks to fund Employment Plus work in Sunderland. Howden's Joinery also gifted £25,000 for work with homeless people, split among three of our drop-ins: Pottergate in Norwich; 10 Princes Street in London; and Niddry Street in Edinburgh.

Furthermore we received a generous £100,000 from our new partner Newcross Healthcare to support our emergency response in Ukraine, coupled with a further £6,000 donated through their employee fundraising efforts.

Christmas 2021 saw us complete our third year of partnership with The Entertainer for the Big Toy Appeal and reach nearly 75,000 toys donated. Finally, our Christmas Carol Concert provided an excellent opportunity to secure sponsorship from The Entertainer (£20,000), McLaren (£20,000) and Knox Cropper (£20,000). We wish to offer our grateful thanks for the generous support of all our corporate partners.

Other fundraising: We continued to develop relationships with people who wanted to 'do something' to raise funds for The Salvation Army, especially in support of our pandemic response. We explored ways of supporting corps with their locally-based fundraising and

we benefited from the increased contributions from individuals who participated in the Covid-adapted sporting challenges and individuals who fundraised in their own way in order to support us. Much of their contribution is channelled locally, but we would want their combined support to be recognised as it generates significant income.

Our Fundraising Approach

The ethos of our approach is that fundraising activities must reflect our values and should be carried out in a manner that the public and our supporters and funders would expect of The Salvation Army - sensitive, courteous, sincere and genuine.

We have an active fundraising presence in digital media and on our website and we regularly review our Privacy Notices and Privacy Statements to ensure we operate in compliance with GDPR.

We do not use professional fundraising agencies such as outbound telemarketing agencies or face-to-face/street fundraising agencies to fundraise on our behalf. Our public, street and house-to-house cash-collection fundraising operations are normally carried out by members and volunteers drawn from and connected with our congregations.

We do use a bureau to handle some inbound telephone donations in peak periods and to call back people who have texted us or otherwise contacted us in order to donate when we cannot handle such calls in-house by our own staff. This is usually only at Christmas when call volumes are high. Call handling is monitored, and we set high standards for the way callers are spoken to.

The term 'professional fundraiser' also encompasses individuals who participate in some challenge and mass participation fundraising events. These relationships are managed centrally with due diligence as to clarity and transparency in terms of an agreement between The Salvation Army and the participant who is fundraising for us. Advice is provided regarding the correct solicitation statements that the fundraiser should use when asking for sponsorship or donations.

Fundraising Standards

We subscribe by annual levy to the Fundraising Regulator and thereby work to the standards of the Code of Fundraising Practice.

We are not aware of any failures to comply with the standards set by other regulatory bodies. We are members of the DMA - the Data and Marketing Association - and as members we are expected to uphold the highest levels of compliance and standards. We are corporate members of the Institute of Fundraising and fundraising managers are individual members.

Fundraising on our behalf

Where people or organisations offer to fundraise on behalf of The Salvation Army, we aim to ensure that a contract or agreement is in place and that the relationship, performance and delivery are overseen either locally or centrally.

Monitoring of Fundraising

During this year under review, we updated and strengthened our internal processes and policies to ensure we have the highest ethical standards in accepting donations.

Salvation Army officers and corps treasurers will monitor fundraising carried out locally by members of the local congregation and by volunteers. Any donation in excess of £5,000 from a single source or related sources is reviewed and assessed by headquarters in line with our donations acceptance policy. Centrally we have a briefing and monitoring programme to assess the performance of our telephone bureau handling inbound donation calls and to ensure the quality of the calls meets our standards for sensitivity and kindness.

Trustees are briefed on the requirements of CC20 and how these requirements are being met as part of their duties in relation to fundraising.

Complaints

In the financial year under review, The Salvation Army received 58 complaints about our fundraising compared with a total of 136 complaints in 2020/2021.

There was an increase in the number of complaints between the 2019/2020 and 2020/2021 financial years (from 83 to 136) and we attributed this to the significant increase in our fundraising activities in 2020 to enable us to meet the increased demand for our services during the pandemic. It is encouraging to see that in the 2021/2022 financial year, the number of complaints we have received is lower than the two previous financial years. We always strive to fundraise respectfully, and we believe the relatively low number of complaints we receive each year reflects our sincere and sensitive approach to fundraising and how we communicate with our supporters and members of the public.

Any complaints we receive are handled in accordance with our Complaints Policy, which is based on the recommended standards set by the Fundraising Regulator. Our Policy is accessible on our website:

<https://www.salvationarmy.org.uk/sites/default/files/resources/2020-05/Complaints%20document-2020.pdf>

Protecting People in Vulnerable Circumstances

Within our fundraising ethos, we take the protection of people in vulnerable circumstances very seriously. As a church and charity working locally and nationally with some of the most vulnerable and marginalised people in communities across the UK, and with a brand that is synonymous with kindness, sensitivity, sympathy, deep understanding and tolerance, we aim to fundraise in the most considerate ways we can and take appropriate action briskly when we are made aware of vulnerabilities. We have a specific Policy created in collaboration with our fundraising, supporter care and compliance teams to ensure we treat all our donors fairly, sensitively and respectfully. We provide dedicated training for our fundraising staff to ensure this Policy is understood and put into practice. Because we do not use external bodies or 'professional fundraisers' to fundraise on our behalf, we are very much in control of how fundraising appeals are carried out.

Our supporters and the charitable giving public generally make an essential, vital contribution to the life and work of The Salvation Army. The relationship we have with our supporters is precious to us. Therefore, the intentional spirit of our fundraising is based on what we feel it is fair, ethical and appropriate to ask for. Our behavioural values of integrity, accountability, compassion and respect are not only at the heart of our mission as a church and charity but are also the driving forces for the way in which we fundraise.

REVIEWING FINANCES

The Accounts have been prepared in accordance with the Charities SORP and Financial Reporting Standard 102 (FRS 102).

Our main sources of income are as follows:

	2022 £m	2021 £m
Legacies	66.3	48.4
Donations from the public	72.9	79.9
Donations from members	16.7	16.3
Grants	4.8	16.5
Trading income	95.1	58.6
Investment income	4.5	2.8
Other income	21.8	15.5
	282.0	238.0

Voluntary income

Voluntary income (including legacies, donations and grants from trusts and foundations) represents 57% of our total income and we continue to be deeply and sincerely grateful to the individuals who have remembered us in their Wills, which is a crucially important, sustaining income stream. Donations from members represent the weekly or planned giving by soldiers and other members of The Salvation Army to their local Salvation Army corps (church).

Trading income

Trading income comprises:

- Corps trading activities, mainly charity shops (£10.4 million). Net trading income is £4.3 million, compared with net trading expenditure of £1.3 million in 2021.
- Income of trading subsidiaries: The Salvation Army General Insurance Corporation (£21.1 million) and The Salvation Army Trading Company (£63.5 million). There has been an increase in net trading income to a surplus of £7.6m from a deficit of £9.0m:

Expenditure has increased from £199.2 million to £226.7 million.

	2022 £m	2021 £m
Cost of raising donations and legacies	13.6	13.4
Cost of trading activities	83.1	68.8
Total cost of raising funds	96.7	82.3
Charitable activities:		
Church and evangelism programmes	40.1	39.2
Community programmes	53.0	49.1
International programmes	4.6	6.3
Training programmes	5.3	4.6
Youth and young people's programmes	2.3	1.8
Grant to Social Work Trust	23.6	16.0
Total charitable activities	128.8	117.0
Financing activities	1.2	-
Total expenditure	226.7	199.2

Costs of raising donations and legacies

This represents the costs of our central Fundraising Department and the cost of our appeals and other costs associated with raising funds.

Church and Evangelism Programmes

This represents Christian worship and the teaching and promotion of the Christian message at our corps, regionally and nationally.

Community Programmes

Programmes organised by our corps to meet the needs of their local community are increasing in scale and diversity, and are described elsewhere in this Report.

International Programmes

This represents grants to The Salvation Army International Trust, overseas projects funded by the UK Territory and the costs of the International Development Unit.

Training Programmes

This represents the costs of William Booth College which trains people to become Salvation Army officers and runs education and learning programmes for employees and officers.

Youth and Young People's Programmes

This represents national programmes including The Salvation Army's work with young people and young adults.

Grant to The Salvation Army Social Work Trust

This represents the financial support provided to our social programmes for those in need. This includes work with the homeless, older people, unemployed people and victims of human trafficking.

Net income (2021: income), which includes gains on investments of £14.0 million (2020: £36.5 million gain), was £69.2 million (2020: £75.3 million income).

Total funds as at the year end were as follows:

	2022 £m	2021 £m
Endowment funds	16.4	17.6
Restricted funds:		
Property fund	344.3	332.0
Corps funds	52.2	50.2
Legacy reserves	76.8	73.6
Trust funds	2.4	2.4
Specific donations	15.4	10.5
	491.2	468.7
Unrestricted funds:		
Non-charitable trading funds	21.7	19.6
Designated funds	195.0	158.5
General reserve	51.4	42.1
	268.1	220.2
Total funds	775.7	706.5

Endowment Funds

The endowment funds are represented by investments in William Leech (Investments) Limited and in the Common Investment Funds and the movement is due to the overall decrease in market value of those investments. The capital value of the funds is retained but the income is applied to fund our work.

Restricted Funds

The property fund represents property assets owned by The Salvation Army for operational purposes and hence is not available for expenditure.

Corps funds represents funds generated by corps. These are restricted for use in their local area.

Other restricted reserves represent funds given by donors for specific purposes.

Unrestricted Funds

Non-charitable trading funds are profits retained in the subsidiary companies to provide working capital for their trading operations.

Designated funds are set aside by the directors for specific purposes, principally the acquisition of officers' quarters and major maintenance work on the property portfolio. Salvation Army officers (active and retired) are provided with accommodation. Funds have been set aside to enable the purchase of suitable properties as they are required. Funds

have also been set aside to fund the work required on corps properties as part of our continuing planned maintenance rolling five-year programme. Funds are also designated to finance new mission initiatives, contribute to Officers and Employees Pension Funds, fund Field Service Training and various approved standalone programmes. All designated reserves are reviewed annually for obsolescence with surpluses being transferred back to general reserves.

RESERVES POLICY

Our reserves policy focuses on the level of general reserves.

We rely on donations, legacies and grants to fund our activities. These can be uncertain and fluctuate from year to year. They represented 57 per cent of our total income for the year ended 31 March 2022. We need reserves to ensure that the operation of our church and community programmes can continue in the event of fluctuations in voluntary income and unexpected expenditure. We also want to be able to provide for the new and innovative opportunities that may appear to further the mission of The Salvation Army Trust.

The reserves policy takes into account the risks faced in light of the current economic climate, and in that respect, the reserves policy will be reviewed by SATCo in the coming financial year.

As at 31 March 2022 the charity had general reserves of £51.4 million which is just above the target range of £29.9m to 49.2m. As we face the current economic crisis with spiralling costs and high inflation, the Trust is in a good position to manage this crisis, maintaining its mission and support for the most vulnerable people in our society.

Due to the high level of the general reserve, this enabled the Trust's Board of Directors to make designations of £1.6m and £0.5m to a new 'Innovation' fund and to a corps recovery fund respectively. Further designations were made to existing funds, including £4m to bolster the funds available for urgent property works and £1m to fresh expressions of mission to continue these works.

INVESTING FOR THE FUTURE

The charity holds its investments in The Salvation Army Common Investment Funds. These funds were set up under Schedule 2 of The Salvation Army Act 1980 to act as common investment schemes for certain Salvation Army Trusts.

The Salvation Army Common Investment Fund (No 1) consists of permanent endowments which are restricted by the wishes of the donor. In most cases the income is to be used for restricted purposes. The Salvation Army Common Investment Fund (No 2) is operated for those Salvation Army Trusts without permanent endowments. Both funds are managed by The Salvation Army Trustee Company. Cazenove Capital Management manages CIF1 and 50 per cent of CIF2, whilst Sarasin & Partners LLP manage 50 per cent of CIF2.

The funds are subject to The Salvation Army Act 1980 and the following guidelines:

- the principal aim is to invest in a manner consistent with the promotion of the objects of The Salvation Army

- investments should be made on longer-term considerations rather than in the pursuit of short-term gains
- investments may be held in stocks, shares, debentures and other securities quoted on a recognised stock exchange, in government, municipal and public utility stocks and in bank deposit accounts
- investments may be made in collective investment schemes, including those holding real estate assets
- no direct investment may be made in unquoted securities in the UK or overseas
- there will be no investment in companies which derive a material amount of their revenues (% indicated) from the following activities:
 - the production of alcohol (5%)
 - the sale, together with any production, of alcohol (10%)
 - the production of tobacco (5%)
 - the sale, together with any production, of tobacco (10%)
 - the manufacture of whole weapons, weapon platforms and weapon systems (no minimum limit)
 - the manufacture or sale of strategic parts for weapons systems (10%)
 - the business of gambling or providing access to such businesses (5%)
 - the production of adult entertainment services or providing access to such services (1%)
 - the publication or wholesale of pornographic magazines or newspapers (1%)
- Investment managers are expected to exclude companies whose activities might reasonably be expected to increase poverty or act against the relief of poverty. The investment managers are required to monitor companies in the portfolios to ensure best practice in corporate governance, employment conditions and environmental sustainability.

The Funds' benchmark and ranges of distribution are as follows:

Asset Class	Benchmark	Range
	%	%
Equities:		
Global	100	+/-10
Bonds	0	+10
Cash	0	+10
	100	

The aims and objectives of the Common Investment Funds are as follows:

CIF1

Fund strategy is:

- to preserve the value of the fund, adjusted for real inflation
- to maintain a steady annual income stream

The performance objective of the Fund is to achieve an annual total return which exceeds the composite benchmark below by at least 1.25 per cent per annum, gross of fees, measured over rolling three-year periods, commencing 1 January 2011.

Asset Class	Performance Benchmark
UK Equities	FTSE All-Share
Europe (ex-UK) Equities	FTSE All World Developed Europe (ex-UK)
Emerging Markets Equities	FTSE All World Emerging Markets
Asia Pacific Equities	FTSE All World Developed Asia Pacific
United States Equities	S&P 500
Property	IPD UK Property

CIF2

The Fund strategy is to aim for capital growth rather than income. The performance objective of the Fund, excluding cash and gilts under lien, is to achieve an annual total return which exceeds the composite benchmark below by at least 1.25 per cent per annum, gross of fees, measured over rolling three-year periods commencing 1 January 2011.

Asset Class	Performance Benchmark
UK Equities	FTSE All-Share
Europe (ex-UK) Equities	FTSE All World Developed Europe (ex-UK)
Emerging Markets Equities	FTSE All World Emerging Markets
Asia Pacific Equities	FTSE All World Developed Asia Pacific
United States Equities	S&P 500
Property	IPD UK Property
Cash and gilts under lien	FTSE Gilts under 5 years

Performance for the year compared to the benchmark was as follows:

	CIF1	CIF2
	%	%
Annual total return (gross of fees)	5.3	6.1
Benchmark return	13.6	13.6

For the year to 31 March 2022 CIF 1 and CIF 2 underperformed compared to global market benchmark. The performance is being monitored on a regular basis through discussions with the respective investment fund managers.

In absolute terms the performance of the Common Investment Funds for the year was as follows:

	CIF1	CIF1	CIF1	CIF2	CIF2	CIF2
	2022	2021	2020	2022	2021	2020
	%	%	%	%	%	%
(Decrease)/Increase in capital value of fund	6.8	22.3	-9.3	17.1	25.5	-8.4
Average net income return	0.4	0.5	1.7	0.7	0.8	2.1

STRUCTURE, GOVERNANCE AND MANAGEMENT

The United Kingdom and Ireland Territory is under the command of a Territorial Commander, appointed by The General and responsible to him/her for the day-to-day administration of Salvation Army work throughout the British Isles, including the Channel Islands, the Isle of Man and the Republic of Ireland.

The Salvation Army's assets in the United Kingdom are held by The Salvation Army Trustee Company (SATCo), a company limited by guarantee, registered in England (No 00259322) with its registered office at 101 Newington Causeway, London SE1 6BN. The governing document of The Salvation Army Trust is The Salvation Army Act 1980, as amended. Under Section 12(1)(a) SATCo is appointed as the sole ordinary trustee of the trusts listed in Schedule 5 to that Act.

The two main trusts under which The Salvation Army operates in the United Kingdom are:

- The Salvation Army Trust, whose accounts are contained in this Report; and
- The Salvation Army Social Work Trust, Charity Registration No 215174 in England and SC037691 in Scotland.

Connected Trusts

SATCo is the trustee of a number of connected charitable trusts which are concerned with specific aspects of the Army's work.

The Salvation Army Social Work Trust

Governing instrument: Deed Poll dated 30 January 1891 and a supplementary deed dated 26 March 1969. Charity registration No 215174 in England and SC037691 in Scotland.

The objects of The Salvation Army Social Work Trust are to promote the charitable work of The Salvation Army, as SATCo shall think fit, in one or more of the following ways:

- the relief of poverty, sickness, suffering, distress, incapacity or old age
- the advancement of education
- training in Christian and moral principles
- the assistance of those in need of protection

William Booth Memorial Trust

Governing instrument: Trust Deed dated 19 September 1921. Charity registration No 312882.

The purpose of this trust is the establishment, maintenance and operation of a college for the instruction and training of men and women for service as officers of The Salvation Army and others involved with or interested in the mission of The Salvation Army.

RISK MANAGEMENT

The Salvation Army identifies, assesses and manages risks that could impact its activities so it can better achieve its objectives, comply with relevant laws and regulations and safeguard its funds and assets.

The Board (SATCo) has ultimate responsibility for overseeing risk management, in accordance with Charity Commission guidance (CC26). The Risk Management Committee (RMC) directs an enterprise-wide risk management programme to inform decision making and ensure effective procedures to identify and evaluate risks and implement effective controls.

The RMC considers the most recent developments in the most significant risks, while also prioritising broader developments to The Salvation Army's approach to risk management. The current three-year plan promotes a deepening appreciation of the complexities of risk management within a wide-ranging structure, the importance of metrics to inform risk management and the implications of macro and global risks that may have consequences for the organisation.

Risk management operates through a top-down review by the RMC and bottom-up review by individual functions, enabling the identification and prioritisation of key and emerging risks. This enables site and service-specific concerns to be identified and managed, whilst retaining high-level oversight and assurance of the most significant risks facing the organisation. The RMC reports to the Board at least twice yearly on key risks. Through this risk management process the trustees have considered the major risks facing the organisation and satisfied themselves that controls are established to manage them.

Unfortunately the nature of our work means that despite the steps we take, serious incidents can still arise, and we continue to place the utmost importance on reporting these to our regulators.

The following table outlines the most significant risks for the reporting period, taking account of their impact and likelihood, and the mitigations in place to manage them.

Principal risks

The Salvation Army's work is diverse, geographically spread across a broad range of settings and has a variety of beneficiaries. The risk landscape is therefore varied, and controls are deployed appropriately at different levels of the organisation. The following outline indicates the most significant risks to The Salvation Army in the reporting period, and some of the strategic level mitigations we have in place.

Principal Risks	Mitigation
Business Continuity - There is a risk that the occurrence of a significant incident where, during and after the incident, The Salvation Army will not be able to continue to be viable and meet stakeholder expectations.	Business continuity policies and procedures, including the application of ISO27001 for some parts of the organisation, prepare us for management of interruptions.

Cyber - The risk is that we fail to protect our information systems and the information they hold.	We deploy multiple measures to protect our systems and the information they hold. We work within an information security international standard (ISO27001) and build on lessons from our internal and external audits in this area. The Salvation Army United Kingdom and Ireland Territory experienced an IT incident in June of 2021. The impact on the work of The Salvation Army Trust was contained with temporary operational adjustments allowing the Trust to continue business as normal.
Data Protection - The risk that we fail to protect sensitive and personal data.	As well as our data protection / GDPR policies and training, we take steps to ensure that personal data is treated properly through appropriate security measures, staff training, the use of data protection impact assessments and contractual requirements with organisations we work with who process our personal data.
Financial Sustainability - The risk that there is insufficient revenue income from donations and reserves to support our operating model resulting in the failure of The Salvation Army to thrive in a rapidly changing environment.	We continue to monitor the funding situation and adjust our financial planning and commitments accordingly to ensure we are financially resilient.
Healthy Corps and Centres - There is a risk that a variety of factors prohibit flourishing of our churches and centres.	We seek to understand how our corps (churches) and centres can thrive in a wider environment of falling church attendance. We are taking steps to establish and measure factors that contribute to healthy mission and provide close support to our corps officers in their daily work.
Safeguarding - The risk is that we fail to provide a safe environment, free from abuse, for everyone, including vulnerable beneficiaries.	We continue to maintain clear policies and procedures in relation to safeguarding and ensure the appropriate screening, training and supervision of personnel. A subcommittee of RMC - the Territorial Safeguarding Committee - oversees management of the risk.
Safe Mission - The risk is that we are not able to ensure the health, safety and welfare of personnel, service users and members of the public who are affected by our activities, including in a Covid-impacted environment.	Comprehensive policies, procedures and guidance are in place, alongside a supervisory control framework. Two RMC subcommittees - the Safe Mission Council and the Sudden Deaths Review Group - inform the management of this risk.

SUBSIDIARY AND ASSOCIATED COMPANIES

The following companies are beneficially owned by The Salvation Army Trust (percentage held) and donate all or part of their profits to The Salvation Army Trust:

1. The Salvation Army Trading Company Limited (SATCoL) (100%)
2. The Salvation Army General Insurance Corporation Limited (SAGIC) (100%)
3. **SATCoL** is a wholly owned subsidiary of The Salvation Army Trust. Its main activity is the collection and sale of second-hand clothes donated by the public through both wholesale and retail activities in its 230 charity shops and donation centres. SATCoL also supplies Salvation Army publications, uniforms and other related materials.
4. **SAGIC** is a wholly owned subsidiary of The Salvation Army Trust and was formed in 1909. Its principal activity is transacting property insurance in the United Kingdom. SAGIC also provides home and contents insurance to officers, members and supporters of The Salvation Army as well as to the general public, either directly or through its broker network.

Connected Company

The Salvation Army Trust holds 20 per cent of the shares in William Leech (Investments) Limited.

RECRUITMENT AND APPOINTMENT OF DIRECTORS (TRUSTEES)

There are 15 directors, 10 by virtue of their appointments within The Salvation Army. One director is a divisional leader responsible for one of The Salvation Army's 22 divisions.

Each non-executive director brings expertise in a relevant field - property, finance, fundraising/marketing, investments or social services. The appointment of non-executive directors is made by The General on the recommendation of the Nominations Committee.

Training and Induction of Directors

The Company Secretary briefs new directors on their legal responsibilities and familiarises them with the Company's governance folder (and previous Board minutes). This includes the articles of association of SATCo, the Charity Commission's essential trustee guidance, and other key documents and policies (including the Conflicts of Interest Policy). The Company Secretary regularly delivers a written governance update on relevant issues at board meetings. Directors are also informed of and provided with the opportunity to attend several training sessions throughout the year.

Organisational Structure and Decision Making

SATCo's board ('the Board') is assisted by an Audit Committee, a Nominations Committee, an Investment Advisory Committee and a Risk Management Committee. The Audit Committee comprises a non-executive director chair and three independent members with a remit to review The Salvation Army's internal and external audit arrangements and consider reports issued by internal and external auditors including the annual financial statements. The role of the Nominations Committee is to recommend new non-executive Board members. The Investment Advisory Committee includes three external advisers in its membership and advises on appropriate investments. The Risk Management Committee is referred to below under Risk Management.

The Board met bi-monthly, with some additional meetings scheduled as required in this reporting year. In addition to its oversight and governance role, the following matters require consideration and approval by the Board:

- annual budget
- individual items of expenditure of £5 million and above
- investment policy, on the recommendation of the Investment Advisory Committee
- Risk Register
- Key policies
- Annual Financial Statements

The Board has delegated day-to-day operational matters to the Territorial Operations Board, under the leadership of the Chief Secretary.

During the 2019/20 financial year, the Internal Audit Department reviewed SATCo's performance against the Charity Governance Code for larger charities. The review identified a number of areas in which SATCo was performing well and other areas for development. Another assessment has been requested by the Chairman of SATCo to take place in the 2023/24 financial year.

Directors' Responsibilities

The directors of SATCo are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of The Salvation Army Trust, and of the income and expenditure for that period. In preparing the financial statements, the directors are required to:

- select and consistently apply suitable accounting policies
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed
- observe the principles of the Charity SORP
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that The Salvation Army Trust will continue to operate

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of The Salvation Army Trust and are required to ensure the financial statements comply with The Salvation Army Act 1980, the Charities Act 2011 and The Charities and Trustees Investment (Scotland) Act 2005. They are also responsible for safeguarding the Trust's assets, taking reasonable steps to prevent and detect fraud and other irregularities.

The directors confirm they have regard to the Charity Commission's guidance on public benefit that is relevant to The Salvation Army Trust.

Remuneration of Key Management

Key management personnel of The Salvation Army comprise Salvation Army officers and employees. Salvation Army officers do not receive a salary; they receive an allowance based on length of service and seniority of position, and as ministers of religion are provided with furnished accommodation and a motor vehicle. The allowances received by officers in positions of key management range from £17,684.18 to £24,628.20 per annum.

For employees, we are committed to ensuring a proper balance between paying salaries which will enable us to attract and retain staff of the appropriate calibre and careful stewardship of charitable funds. All senior salaries are benchmarked against senior staff salaries of comparable organisations in the not-for-profit sector.

Further information is disclosed in Notes 11 and 12 to the Accounts.

**On behalf of the Directors of The Salvation Army Trustee Company
18 November 2022**

DIRECTORS

The current directors of The Salvation Army Trustee Company and those who held office during the year are as follows:

Commissioner Anthony Cotterill	Chair
Colonel Paul Main	Deputy Chair
Colonel Jenine Main	
Lieut-Colonel Alan Read	Managing Director
Lieut-Colonel Andrew McCombe	
Lieut-Colonel Beverley McCombe	
Lieut-Colonel Dean Pallant	
Lieut-Colonel Judith Payne	
Major Noreen Batt	
Major Judith Hilditch	
Helen O'Brien	
Philip Edwards	(appointed 09.09.22)
Mark Puller	
Peter Gale	
Graham Roper	(until 19.09.21)
Andrew Stickland	

The Chief Secretary, Colonel Paul Main, is responsible for the day-to-day management of the charity.

Committee Members (current)

Territorial Operations Board

Colonel Paul Main (Chair), Commissioner Gillian Cotterill, Major Jane Cowell, Tony Daniels, Major Mal Davies, Miguel Fiallos, Peter Grant, Major Judith Hilditch, Major Paul Kingscott, Major Mike Lloyd-Jones, Mitch Menagh, Alex O'Hara, Major Julian Watchorn, Major Richard Waters, Julius Wolff-Ingham

Audit Committee

Andrew Stickland (Chair), Stephen Bright, Hannah Greenfield, Mike Grills

Investment Advisory Committee

Peter Gale (Chair), Mark Colton, William Dalziel, Major Judith Hilditch, Mary Haly, Major Beverly Lloyd, Lieut-Colonel Alan Read, Philip Rotherham, Daniel Wills

Nominations Committee

Peter Gale, Colonel Paul Main, Lieut-Colonel Alan Read, Elliot Thomas

Risk Management Committee

Helen O'Brien (Chair), Major Kerry Coke, Lieut-Colonel Andrew McCombe, Lieut-Colonel Beverley McCombe, Lieut-Colonel Dean Pallant, Lieut-Colonel Alan Read, Elliot Thomas, Daniel Wills, Major Julian Watchorn, Julius Wolff-Ingham

Company Secretary

Elliot Thomas is Company Secretary of The Salvation Army Trustee Company.

ADVISERS

Bankers

Reliance Bank Limited, Faith House, 23/24 Lovat Lane, London EC3R 8EB

Auditors

Knox Cropper LLP, Chartered Accountants, 65 Leadenhall Street, London EC3A 2AD

Solicitors

England and Wales: Slaughter and May, 1 Bunhill Row, London EC1Y 8YY

Scotland: Blackadders, 5 Rutland Square, Edinburgh EH1 2AX

Investment Advisers

BWCI Consulting Limited, PO Box 68, Albert House, South Esplanade, St Peter Port, Guernsey GY1 3BY

Investment Managers

Cazenove Capital Management, 12 Moorgate, London EC2R 6DA

Sarasin & Partners LLP, Juxon House, 100 St Paul's Churchyard, London EC4M 8BU

Legal & General Investment Ltd, One Coleman Street, London, EC2R 5AA

**INDEPENDENT AUDITOR'S REPORT TO
THE SALVATION ARMY TRUSTEE COMPANY, THE MANAGING TRUSTEE**

Opinion

We have audited the consolidated financial statements of The Salvation Army Trust for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Balance Sheets, the Consolidated Statement of Cash Flows and the related notes. 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:

- (a) give a true and fair view of the state of The Salvation Army Trust and parent charity's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, for the year then ended;
- (b) have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- (c) have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustees 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustee is responsible for the other information.

Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 and the Charity Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustee

As explained more fully in the trustee's responsibilities statement, the trustee is 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 trustee determines 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 trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144(1) of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

- The charity is required to comply with charity law and, based on our knowledge of its activities, we identified that the legal requirement to comply with charity law including accurately accounting for restricted funds was of key significance.
- We gained an understanding of how the charity complied with its legal and regulatory framework, including the requirement to properly account for restricted funds, through discussions with management and a review of the documented policies, procedures and controls.
- The audit team, which is experienced in the audit of charities, considered the charity's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override.
- Our approach was to check for compliance with charity law and tax legislation applicable for charities and to ensure that all restricted income was properly identified and separately accounted for. This included reviewing journal adjustments and unusual transactions.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken, so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report or for the opinions we have formed.

65 Leadenhall Street
London EC3A 2AD

Knox Cropper LLP
Chartered Accountants
Registered Auditors

18 November 2022

Knox Cropper LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022

				2022	2021
	Notes	Endowment	Restricted	Unrestricted	Total
		£000	£000	£000	£000
INCOME AND ENDOWMENTS FROM					
Donations, Legacies and Grants					
Legacies		-	8,924	57,354	66,278
Donations - Public		-	11,427	61,522	72,949
Donations - Members	2	-	16,485	132	16,617
Grants	3	231	3,970	558	4,759
Trading Activities	4	-	10,442	84,657	95,099
Investments	5	-	2,133	1,311	3,444
Other					
Gain on property disposal		-	4,826	15,991	20,817
Other income		-	1,806	185	1,991
Total Income		231	60,013	221,710	281,954
EXPENDITURE					
Raising Funds					
Costs of raising donations, legacies and grants		-	68	13,544	13,612
Costs of trading activities	4	-	6,101	77,020	83,121
		-	6,169	90,564	96,733
Charitable Activities					
Church and Evangelism Programmes	7	-	20,509	19,624	40,133
Community Programmes		-	31,021	21,984	53,005
International Programmes		-	1,338	3,213	4,551
Training Programmes		-	3	5,267	5,270
Youth and Young People's Programmes		-	-	2,337	2,337
Grant to The Salvation Army Social Work Trust		-	-	23,547	23,547
		-	52,871	75,972	128,843
Financing Costs	17	-	-	1,169	1,169
		-	-	1,169	1,169
Total Expenditure		-	59,040	167,705	226,745
Gains/(Losses) on Investments	16(a)	(1,438)	219	15,205	13,986
Net Income/(Expenditure)		(1,207)	1,192	69,210	69,195
Transfer between funds	21/22	-	21,320	(21,320)	-
NET MOVEMENT IN FUNDS		(1,207)	22,512	47,890	69,195
Fund balances brought forward		17,552	468,708	220,221	706,481
Fund balances carried forward at 31 March 2022		16,345	491,220	268,111	775,676

All activities reported above, in both the current and preceding years, reflect ongoing activities. The annexed notes form part of these financial statements.

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

	Notes	Consolidated		Trust	
		2022	2021	2022	2021
		£000	£000	£000	£000
FIXED ASSETS					
Intangible Fixed Assets	13	312	1,608	-	-
Tangible Fixed Assets					
Properties	14	309,613	313,216	303,817	308,305
Property Schemes in Progress	14	39,373	24,660	39,373	24,660
Motor Vehicles and Equipment	15	9,955	8,544	2,220	1,866
Investments	16	249,739	205,283	252,723	208,185
		<u>608,992</u>	<u>553,311</u>	<u>598,133</u>	<u>543,016</u>
CURRENT ASSETS					
Short-Term Deposits		72,128	62,029	72,128	62,029
Stock		2,134	2,444	204	211
Debtors	17	60,354	49,733	48,258	38,482
Bank Balances and Cash		<u>76,613</u>	<u>73,174</u>	<u>58,805</u>	<u>59,507</u>
		211,229	187,380	179,395	160,229
CREDITORS: amounts falling due within one year	18	(44,084)	(33,700)	(23,105)	(15,878)
NET CURRENT ASSETS		<u>167,145</u>	<u>153,680</u>	<u>156,290</u>	<u>144,351</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		776,137	706,991	754,423	687,367
CREDITORS: amounts falling due after one year	19	(461)	(510)	(461)	(510)
TOTAL NET ASSETS		<u>775,676</u>	<u>706,481</u>	<u>753,962</u>	<u>686,857</u>
FUNDS					
Endowment Funds	20	16,345	17,552	16,345	17,552
Restricted Funds					
Property Fund	21	344,331	332,060	344,331	332,060
Other Restricted Funds	22	146,889	136,648	146,889	136,648
Unrestricted Funds	23	268,111	220,221	246,397	200,597
TOTAL FUNDS	24	<u>775,676</u>	<u>706,481</u>	<u>753,962</u>	<u>686,857</u>

Approved on behalf of The Salvation Army Trustee Company on 18 November 2022.

The annexed notes form part of these financial statements.

Lieut-Colonel Alan Read
Director

Major Judith Hilditch
Director

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £000	2021 £000
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	28	38,005	28,520
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES			
Additions to Properties		(8,617)	(15,384)
Net Additions to Property Schemes in Progress		(16,680)	(5,169)
Proceeds on disposal of Properties		30,558	19,744
Additions to Motor Vehicles and Equipment		(3,706)	(1,918)
Proceeds on disposal of Motor Vehicles and Equipment		9	1,296
Additions to Investments		(30,474)	(1,496)
Proceeds from disposal of Investments		4	1,288
Investment Income		4,491	2,846
Management of short-term deposits		(10,099)	7,273
		<u>(34,514)</u>	<u>8,480</u>
NET CASH (OUTFLOW) FROM FINANCING ACTIVITIES			
Loan Repayments		(52)	(57)
Increase/(Decrease) in Cash and Cash Equivalents		<u>3,439</u>	<u>36,943</u>
Cash and Cash Equivalents at beginning of year		73,174	36,231
Cash and Cash Equivalents at end of year		<u>76,613</u>	<u>73,174</u>

ANALYSIS OF CHANGES IN NET DEBT

	Balance 1 April 2021 £000	Cash- Flows £000	Loan Repayments £000	Balance 31 March 2022 £000
Cash at Bank	73,174	3,439	-	76,613
Loans falling due within one year	(49)	-	3	(46)
Loans falling due after more than one year	(510)	-	49	(461)
	<u>72,615</u>	<u>3,439</u>	<u>52</u>	<u>76,106</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements and which have been consistently applied are set out as follows:

(a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, subject to the inclusion of investments at market value and donated properties at valuation on acquisition, and are in accordance with the Charities SORP (FRS 102) (second edition - October 2019), Financial Reporting Standard 102, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the regulations issued thereunder.

The Salvation Army Trust is a public benefit entity as defined by FRS 102.

Through careful stewardship, monitoring of budgets and reforecasting, The Salvation Army Trust has returned a surplus at the Year End 31 March 2022.

As the activities and services of The Salvation Army Trust have slowly returned to a new 'norm' there has been continued reduced expenditure, while income from our Trading Company almost returned to pre-pandemic levels and our fundraising endeavours have continued to perform well. After designations for urgent property works and new innovations, the general reserve balance of £51.4m is just above the target reserves policy range. However, given the current economic uncertainty this provides a buffer to manage through the impact of the war in Ukraine, rising inflation and escalating energy costs, as well as providing real living salaries to our employees. The general reserve levels are continually monitored and the reserves policy will be reviewed by SATCo in financial year 2022/23.

On the basis of the above, the trustee has concluded that there is no material uncertainty about the Trust's ability to meet its debts as they fall due for at least 12 months following approval of the financial statements and therefore continues to adopt the going concern basis in preparing its financial statements.

(b) Consolidation

The financial statements aggregate the results of the corps which, for the purposes of compliance with the Statement of Recommended Practice, are considered to be branches, and the results of the subsidiary companies, and of the subsidiary trust (William Booth Memorial Trust).

(c) Key judgements and estimates used in preparing these financial statements

(i) Financial instrument classification

The classification of financial instruments as 'basic' or 'other' requires judgement as to whether all applicable conditions are met. This includes a review of the form of the instrument and its return. All financial instruments, including loans, are currently classified as 'basic'.

(ii) Capitalisation of property improvement and development

Property improvement and development schemes are reviewed to ascertain whether expenditure should be capitalised or charged to the Statement of Financial Activities. Expenditure which enhances the social use of the property or improves its economic return is capitalised. Expenditure which repairs a property and brings it back to its original condition is written off.

(iii) Useful lives of properties and other fixed assets

The useful lives of properties and other fixed assets are reviewed at each reporting date and depreciation rates for asset categories adjusted accordingly if required.

(iv) Pension obligations

The provision for contributions payable in respect of past service deficits on the Trust's defined benefit pension scheme is calculated by the appointed actuary taking into account assumptions relating to the discount rate, inflation and increases in salaries and allowances.

(v) Identification and valuation of investment properties

The Group's property portfolio is reviewed annually to identify investment properties, which are those properties held to earn income or for capital appreciation rather than to be used for its charitable purposes.

Properties no longer used for charitable purposes but retained until market conditions allow their disposal are not treated as investment properties, provided disposal is intended within a reasonable time scale.

After initial recognition, investment property is measured at its fair value based either on valuation by The Salvation Army Property Department or by an independent valuer. In either case the valuer will hold a recognised and relevant professional qualification. The property will be valued at each subsequent reporting date.

(d) Income

- (i) Donations, Legacies and Grants - Donations, including the gross equivalent of those under Gift Aid, legacies and grants are brought into account when the Trust is entitled to the income, receipt is probable and the amount receivable can be measured reliably.
- (ii) Investment Income - Dividends and interest are brought into account gross in the year they are due.
- (iii) Profits and losses on disposal of assets are reflected in the Statement of Financial Activities in the year of disposal.
- (iv) Trading Income - Trading income is recognised at the point of sale for retail sales and at the time of distribution for wholesale unsorted clothing. Trading income also includes insurance income and Gift Aid.
- (v) Funds raised by local corps, including trading income, are deemed to be restricted for use in the local area, as the expectation of local donors is for monies to be used to fund local communities.

(e) Expenditure

Expenditure is charged on the accruals basis.

- (i) Irrecoverable Value Added Tax is charged to the related expenditure.
- (ii) Expenditure
 - Costs of raising donations, legacies and grants consist of direct campaign appeal expenses and the running costs of the Fundraising Department.
 - Cost of trading activities consists of cost of sales, distribution and operational costs.
 - Charitable Activities consists of all expenditure relating to the objects of the charity including the costs of supporting charitable activities and projects.

Support costs, including governance, have been apportioned to each category of expenditure based on the number of officers and employees involved in each area or on an estimate of the time spent by officers and employees on particular activities.

- (iii) The non-capital element of property schemes is written off in the year of completion, and a provision is made annually for schemes in progress. The capital element of such schemes not completed at the year end is carried forward in the Balance Sheet under the heading of Property Schemes in Progress and is accounted for as a fixed asset.
- (iv) Retired Officers' Allowance Fund - This is a multi-employer charitable fund which operates in a similar way to a defined benefit pension fund. The assets and constructive liabilities cannot be separately identified and therefore the amount charged in the Statement of Financial Activities represents the contribution payable during the year in respect of current service and the total contributions payable (or movement in provision thereof) in respect of past service.
- (v) Employees' Pension Fund - This is a multi-employer pension fund where the assets and liabilities cannot be separately identified and therefore the amount charged in the Statement of Financial Activities represents the contribution payable during the year in respect of current service and the total contributions payable (or movement in provision thereof) in respect of past service. The actuarial valuation is done on a three-year cycle and each year we designate an amount of money to meet the deficit at the end of the cycle.

(f) Fixed Assets

- (i) Expenditure on the acquisition or improvement of property is reflected as a fixed asset, whereas costs of repairs and renewals to property are charged to the Statement of Financial Activities.

(ii) Expenditure on the acquisition of vehicles is capitalised and expenditure on computer equipment and other office equipment which exceeds £15,000 in value (individually or for groups of related assets) is capitalised and depreciated over its economic life.

(iii) In accordance with FRS 102 component accounting has been adopted for Freehold and Long Leasehold properties. A property comprises of major components with substantially different useful lives. Depreciation is charged on major components so as to write off the cost of the components to their residual values, over their estimated useful lives, using the straight-line method, as follows

Freehold Land	Not depreciated
Property Schemes In Progress	Not depreciated
Building - Main Fabric (structure)	50 years
<u>Major Components</u>	
Roof structure and covering	50 years
Bathrooms and WCs	20 years
Lifts	25 years
Mechanical and Electrical Systems	25 years
Windows and External Doors	25 years
Kitchens	20 years

Short leasehold properties are depreciated over the term of the lease.

(iv) Depreciation is provided on other tangible fixed assets at the following rates:

Motor Vehicles	- 25% pa on cost
Office Equipment	- 25% pa on cost

(v) Goodwill arising on acquisition is amortised on a straight-line basis over the estimated useful life which has been estimated to be 10 years.

(g) Investments

To comply with the Statement of Recommended Practice investments are included at market value (bid price). Unlisted investments are valued at the share of underlying net assets which equates to fair value. Investment properties have been valued by an internal property surveyor. Residential investment properties have been valued by reference to recent sales of similar properties in the area. Commercial investment properties have been valued by reference to their current rental income.

(h) Stocks

Stocks are valued at the lower of cost and net realisable value.

(i) Funds

(i) The Property Fund represents monies already expended on the acquisition, construction and improvement of freehold and leasehold properties. Unrestricted designated funds which are applied for property purposes are categorised as restricted giving rise to a transfer during the year.

(ii) The Endowment Funds are held for restricted purposes, where the income only is available to be used in accordance with the wishes of the donors.

(iii) The Restricted Funds are held for restricted purposes, as specified by the donors.

(iv) The Unrestricted Funds include: Designated Reserves held for particular purposes designated by The Salvation Army in the exercise of its discretionary powers, and General Reserve representing the net assets not designated for specific purposes.

2. MEMBERS' DONATIONS

This represents Salvationists' personal giving to support their local corps (church) and the work of The Salvation Army.

3. GRANTS RECEIVABLE

	Endowments £000	Restricted £000	Unrestricted £000	2022 Total £000	2021 Total £000
Government Grants Covid-19	-	-	539	539	9,174
Other Grants	-	-	-	-	40
Local Authority (incl. Covid grants)	-	2,072	-	2,072	3,081
Trusts	231	1,898	19	2,148	4,185
	231	3,970	558	4,759	16,480

Local authority restricted grants include Covid-19 grants to support corps. This can be split further by government grants of £944k (2021:£1,527k), local authority grants of £953k (2021:£1,456k) and other grants of £172k (2021:£97k).

4. TRADING INCOME AND EXPENDITURE

Funds generated by corps are retained by the corps for use in the local area and are regarded as restricted for that geographical region.

	2022 £000	2021 £000
Local corps charity shops and other trading activities		
Income	10,442	3,291
Expenditure	(6,101)	(4,590)
	4,341	(1,299)
Trading Subsidiaries		
Income (Note 6)	84,657	55,270
Expenditure (Note 6)	(77,020)	(64,252)
	7,637	(8,982)

5. INVESTMENT INCOME

	2022 £000	2021 £000
Dividends receivable	1,464	1,535
Interest receivable	114	331
Rental income from investment properties	197	120
Income from connected company	1,636	816
Investment income of subsidiary companies (Note 6)	33	44
	3,444	2,846

6. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARIES

The Salvation Army Trust has two wholly owned trading subsidiaries which are incorporated in the UK. The Salvation Army General Insurance Corporation Limited (SAGIC) transacts insurance business, mainly property insurance. The Salvation Army Trading Company Limited (SATCoL) deals with the collection and recycling of second-hand clothing donated by the general public and is engaged in publishing and the supply of Salvationist materials. Both companies make a qualifying donation of part of their profits to The Salvation Army Trust. Where profits are retained, it is for working capital needs and capital for the long-term development of the business. A summary of the trading results of the subsidiary companies for the year ended 31 March 2022 is shown below. Audited accounts of the companies have been filed with the Registrar of Companies.

	SAGIC £000	SATCoL £000	2022 Total £000	2021 Total £000
Profit and Loss Account				
Trading Income	21,141	63,516	84,657	55,270
Cost of Trading Activities:				
Cost of Sales	(20,003)	(31,451)	(51,454)	(44,421)
Distribution Costs	-	(2,558)	(2,558)	(1,462)
Operating Costs	(662)	(22,298)	(22,960)	(18,706)
Other Income/(Costs) Including Taxation	(88)	41	23	337
Total cost of Trading Activities	(20,753)	(56,266)	(76,949)	(64,252)
Covid-19 Grant Income	-	539	539	9,174
Investment Income	33	18	51	44
Net Profit	421	7,807	8,228	236
Realised Losses on Investments	(21)	-	(21)	(25)
Unrealised Gains on investments	(59)	-	(59)	8
Net Income for the year	341	7,807	8,148	219
Payable to The Salvation Army Trust (Gift Aid)	-	(6,060)	(6,060)	(2,241)
Retained in Subsidiary	341	1,747	2,088	(2,022)

7. CHARITABLE ACTIVITIES

	Direct Costs £000	Grants £000	Support Costs (Note 8) £000	2022 Total £000
Church and Evangelism Programmes	28,175	-	11,958	40,133
Community Programmes	38,488	-	14,518	53,006
International Programmes	2,072	2,301	177	4,550
Training Programmes	3,763	-	1,507	5,270
Youth and Young People Programmes	697	-	1,640	2,337
Grant to Salvation Army Social Work Trust	-	23,547	-	23,547
	73,195	25,848	29,800	128,843

31 March 2021 Charitable Activities

	Direct Costs	Grants	Support Costs (Note 8)	2021 Total
	£000	£000	£000	£000
Church and Evangelism Programmes	29,385	-	9,775	39,160
Community Programmes	37,320	-	11,768	49,088
International Programmes	3,068	3,067	141	6,276
Training Programmes	3,434	-	1,179	4,613
Youth and Young People Programmes	602	-	1,220	1,822
Grant to Salvation Army Social Work Trust	-	16,000	-	16,000
	<u>73,809</u>	<u>19,067</u>	<u>24,083</u>	<u>116,959</u>

Church and Evangelism Programmes comprise Christian worship, teaching and promotion of the Christian message at corps, regional and national events.

Community Programmes are organised by our corps to meet the needs of their local communities. The programmes offered are available to all and include activities for children, young people, families and older people as well as assistance for those in need.

International Programmes comprise support to the work of The Salvation Army worldwide. This includes grants paid to The Salvation Army International Trust and to overseas Salvation Army territories for projects to alleviate poverty in local communities.

Training Programmes represent the cost of William Booth College which trains people to become Salvation Army officers and provides learning and development opportunities for employees and officers.

Youth and Young People Programmes represent the cost of work within The Salvation Army for young people and adults aged 12-25, and other nationally organised programmes.

Grant to The Salvation Army Social Work Trust comprises grants payable to support the running of Salvation Army Lifehouses, care homes and other programmes and other costs incurred in supporting social programmes.

Support Costs represent centrally supplied services.

8. SUPPORT COSTS

	Finance	HR	IT	Property	Communication	Other	Legal & Secretarial	2022 Total	2021 Total	
	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Fundraising	64	33	63	63	65	57	58	403	317	
Church & Evangelism Programmes	1,603	1,583	2,370	1,833	1,628	1,460	1,480	11,957	9,775	
Community Programmes	2,086	1,753	2,523	2,214	2,119	1,897	1,926	14,518	11,767	
International Programmes	26	17	32	28	28	24	23	178	142	
Training Programmes	243	115	222	236	247	220	224	1,507	1,179	
Youth & Young People Programmes	334	36	69	252	339	302	308	1,640	1,220	
	4,356	3,537	5,279	4,626	4,426	3,960	4,019	30,203	24,400	
Total	2021	3,788	4,004	4,760	3,819	4,891	2,437	701	-	24,400

An analysis of governance costs included above is set out in Note 9 below.

Fundraising support costs of £403k (2021: £317k) are included within this note but not within the support costs column presented in Note 7 as these costs are not included within Charitable Activities.

9. GOVERNANCE COSTS

Absorbed within support costs were the following governance costs:

	2022 £000	2021 £000
External audit	116	135
Internal audit	301	317
Trustee expenses	-	-
Support costs allocated		
Trustee indemnity insurance	28	17
Apportionment of directors' time	107	104
	552	573

10. PERSONNEL

The average number of officers and employees and full-time equivalent (FTE) officers and employees was:

	2022 Headcount Number	2022 FTE Number	2021 Headcount Number	2021 FTE Number
Trust				
Number of Officers	618	687	792	776
Number of Employees	1,189	996	1,411	1,127
	1,860	1,683	2,203	1,903
Subsidiaries	701	701	651	651
Total	2,561	2,384	2,854	2,554

	Trust £000	Subsidiaries £000	2022 Total £000	2021 Total £000
Personnel Costs				
Allowances and Salaries	54,467	19,796	74,263	74,159
Redundancy Costs	257	-	257	626
Social Security Costs	4,811	1,514	6,325	5,949
Pension Fund Contributions (Current Service)	9,744	1,321	11,065	10,773
Retired Officers Allowance Fund Contributions (Past Service)	(26)	-	(26)	-
	69,253	22,631	91,884	91,507

Higher Paid Employees

The number of employees whose emoluments amounted to over £60,000 in the year was as follows:

	Trust No.	Subsidiaries No.	2022 Total No.	2021 Total No.
£60,001 - £70,000	27	-	27	22
£70,001 - £80,000	6	-	6	8
£80,001 - £90,000	3	-	3	1
£90,001 - £100,000	4	1	5	5
£100,001 - £110,000	4	1	5	5
£110,001 - £120,000	-	1	1	-
£120,001 - £130,000	-	-	-	1
£130,001 - £140,000	-	-	-	1
£140,001 - £150,000	-	2	2	1
£150,001 - £160,000	-	1	1	-
£160,001 - £170,000	-	1	1	1
	44	7	51	45

Key Management Personnel

The key management personnel of the Trust are those persons having authority and responsibility for planning, directing and controlling the activities of the Trust, directly or indirectly, including the directors of The Salvation Army Trustee Company as the Corporate Trustee of the Trust. The Trustee considers the key management personnel of the Trust to be the executive directors (officers and employees) of the Board. The total aggregate emoluments including pension contributions paid to key management personnel during the year was £200,942 (2021: £222,784)

11. TRUSTEES

(a) Emoluments:

The directors of The Salvation Army Trustee Company comprise Salvation Army officers and employees and other external directors with specialist expertise. All active Salvation Army officers receive an allowance based on length of service and, as ministers of religion, are provided with furnished accommodation and a motor vehicle. They are eligible for support from The Salvation Army Retired Officers Allowance Fund. The allowances received by the officers serving as directors ranged from £17,684.18 to £24,628.20 per annum and they did not receive any additional remuneration for their duties as directors.

(b) Expenses

No (2021: no) directors of The Salvation Army Trustee Company were reimbursed for travelling expenses, amounting to £0 (2021: £0).

12. PENSION AND SIMILAR COSTS

The Salvation Army Trust contributes to three pension or similar schemes in respect of its staff:

- (i) The Salvation Army Retired Officers Allowance Fund relating to Salvation Army officers,
- (ii) The Salvation Army Employees Pension Fund for other staff,
- (iii) A defined contribution scheme set up to offer employees who are not members of The Salvation Army Employees Pension Fund the opportunity to join a pension scheme following the closure of the Employee Pension Scheme to new members with effect from 31 December 2011.

Amounts charged in respect of pension fund contributions for the year are disclosed in Note 10 above.

SALVATION ARMY RETIRED OFFICERS ALLOWANCE FUND

The Salvation Army Retired Officers Allowance Fund was established by The Salvation Army Act 1963 under the legal name, The Salvation Army Officers Pension Fund. It is a registered charity and operates on the same basis as a defined benefit scheme, but the benefits are not guaranteed. It is non-contributory by the officer, but a contribution currently equivalent to £4,870 (2021: £4,860) per officer, per annum, is made by The Salvation Army. Officers in both principal Trusts (The Salvation Army Trust and The Salvation Army Social Work Trust) participate in the scheme and it is not possible to allocate the assets and constructive liabilities of the Fund between the Trusts. Therefore the Fund is accounted for in a similar way as a multi-employer pension fund.

The Salvation Army Retired Officers Allowance Fund was subject to a triennial actuarial review on 31 March 2019, using the Attained Age Method, and this was based on the following principal assumptions:

Post-Retirement Discount Rate	2.7% per annum
Pre-Retirement Discount Rate	3.4% per annum
Rate of Increase in Allowances and Pensions	4.1% per annum
Rate of Inflation	3.6% per annum

The market value of the Fund's assets at the valuation date amounted to £231.6m whereas the value of past service ongoing liabilities amounted to £238.8m revealing a funding shortfall of £7.2m.

A recovery plan was agreed whereby the contribution was increased to an amount equivalent to £4,870 per officer, per annum, from 1 April 2021, and The Salvation Army Trust would make an annual capital contribution to the scheme of £2m over a period of approximately 13 years. In practice, capital contributions in excess of this amount are being paid in order to fund the deficit over a shorter period of time and in 2021/22 the capital contribution paid was £4m (2020/21 £4m).

Although the pension benefits are not guaranteed, they do represent a constructive liability as there are expectations that the pensions will be paid. Therefore, a provision is made in the financial statements of The Salvation Army Trust for the total discounted value of the future capital contributions which it has agreed to pay.

Over a number of years, The Salvation Army Trust has made payments to cover the annual costs of the retired officers allowances and the administration costs to allow the investments to recover from a deficit position. At the year end 31 March 2022, the investments had recovered and showed a surplus clearing the deficit. This is shown as an advance within debtors. This process is under constant review and future contributions from The Salvation Army Trust will be adjusted accordingly.

(a) SALVATION ARMY EMPLOYEES PENSION FUND

The Salvation Army Employees Pension Fund is a funded defined benefit scheme. The contribution rate payable by members is 8% of pensionable salaries and the employer's contribution is 30.2% of pensionable salaries.

The Scheme is a multi-employer scheme incorporating six employers. It closed to new members with effect from 31 December 2011. The actuary has confirmed that it is not practical to allocate the assets and liabilities of the scheme between participating employers and therefore it is accounted for as a multi-employer scheme.

The Scheme is subject to triennial actuarial valuations. The last actuarial valuation was completed, using the Projected Unit Method, at 31 March 2021.

The review was based on the following assumptions:

Post-retirement discount rate	1.22% per annum
Pre-retirement discount rate	0.72% per annum
Rate of salary increases	3.55% per annum
Rate of pension increase:	
On pensions accrued before 6 April 2006	3.0% per annum
On pensions accrued after 6 April 2006	2.1% per annum
Inflation: RPI	3.05% per annum
CPI	2.3% per annum
Deferred Pension Increases (pre 6 April 2009)	3.12% per annum
Deferred Pension increases (post 6 April 2009)	2.02% per annum

The market value of the Fund's assets on the valuation date was £213.7m and the value of technical provisions amounted to £211.1m giving rise to a funding surplus of £2.5m.

13. INTANGIBLE FIXED ASSETS

Goodwill	Goodwill £000	Other £000	Total £000
Cost			
Balance at 1 April 2021	11,275	625	11,900
Additions	-	-	-
Balance at 31 March 2022	11,275	625	11,900
Accumulated Depreciation			
Balance at 1 April 2021	10,066	226	10,292
Charge for the year	1,171	125	1,296
Balance at 31 March 2022	11,237	351	11,588
Net Book Value at 31 March 2022	38	274	312
Net Book Value at 31 March 2021	1,209	399	1,608

Intangible fixed assets represent the goodwill arising on acquisition, by the Trust's subsidiary company SATCoL, of the business operations and net assets of Kettering Textiles Limited. The goodwill is being amortised over 10 years.

The £625K Other intangible assets represents patents and licences in the Trust's subsidiary SATCoL.

14. PROPERTIES

(a) Consolidated

	Freehold £000	Long Leasehold £000	Short Leasehold £000	Total £000	Property Schemes In Progress £000
Cost					
Balance at 1 April 2021	428,134	43,679	229	472,042	24,660
Additions during the year	6,604	2,013	-	8,617	19,424
Transfer to investment properties	(415)	(31)	-	(446)	-
Schemes completed during the year	1,967	-	-	1,967	(1,967)
	436,290	45,661	229	482,180	42,117
Less: Disposals	(11,366)	(3,201)	-	(14,567)	(2,744)
Balance at 31 March 2022	424,924	42,460	229	467,613	39,373
Accumulated Depreciation					
Balance at 1 April 2021	146,104	12,495	227	158,826	-
Charge for the year	2,993	1,203	-	4,196	-
Less: Disposals	(3,752)	(1,074)	-	(4,826)	-
Transfer to investment properties	(183)	(13)	-	(196)	-
Balance at 31 March 2022	145,162	12,611	227	158,000	-
Net Book Value at 31 March 2022	279,762	29,849	2	309,613	39,373
Net Book Value at 31 March 2021	282,030	31,184	2	313,216	24,660

(b) Trust

	Freehold	Long Leasehold	Short Leasehold	Total	Property Schemes In Progress
	£000	£000	£000	£000	£000
Cost					
Balance at 1 April 2021	426,827	39,631	229	466,687	24,660
Additions during the year	6,054	1,375	-	7,429	19,424
Transfer to investment properties	(415)	(31)	-	(446)	
Schemes completed during the year	1,967	-	-	1,967	(1,967)
	434,433	40,975	229	475,637	42,117
Less: Disposals	(11,366)	(3,201)	-	(14,567)	(2,744)
Balance at 31 March 2022	423,067	37,774	229	461,070	39,373
Accumulated Depreciation					
Balance at 1 April 2021	145,822	12,332	228	158,382	-
Charge for the year	2,978	915	-	3,893	-
Less: Disposals	(3,752)	(1,074)	-	(4,826)	-
Transfer to investment properties	(183)	(13)	-	(196)	-
Balance at 31 March 2022	144,865	12,160	228	157,253	-
Net Book Value at 31 March 2022	278,202	25,614	1	303,817	39,373
Net Book Value at 31 March 2021	281,005	27,299	1	308,305	24,660

Trust properties comprise primarily corps halls, divisional and territorial headquarters buildings and residential properties for active and retired officers.

15. MOTOR VEHICLES AND EQUIPMENT

(a) Consolidated

	Motor Vehicles £000	Office Equipment £000	Total £000
Cost			
Balance at 1 April 2021	349	26,777	27,126
Additions	265	3,441	3,706
Disposals	-	(154)	(154)
Balance at 31 March 2022	614	30,064	30,678
Accumulated Depreciation			
Balance at 1 April 2021	234	18,348	18,582
Charge for the year	65	2,221	2,286
Disposals		(145)	(145)
Balance at 31 March 2022	299	20,424	20,723
Net Book Value at 31 March 2022	315	9,640	9,555
Net Book Value at 31 March 2021	115	8,429	8,544

(b) Trust

	Motor Vehicles £000	Office Equipment £000	Total £000
Cost			
Balance at 1 April 2021	349	3,625	3,974
Additions	265	736	1,001
Disposals	-	-	-
Balance at 31 March 2022	614	4,361	4,975
Accumulated Depreciation			
Balance at 1 April 2021	234	1,874	2,108
Charge for the year	65	582	647
Disposals	-	-	-
Balance at 31 March 2022	299	2,456	2,755
Net Book Value at 31 March 2022	315	1,905	2,220
Net Book Value at 31 March 2021	115	1,751	1,866

16. FIXED ASSET INVESTMENTS

(a) Consolidated

	Investment Properties	Salvation Army Common Investment Funds		Unlisted Investments	Subsidiaries Listed Investments	Total
		Fund 1	Fund 2			
	£000	£000	£000	£000	£000	£000
Market Value as at 1 April 2021	11,983	5,276	173,660	12,299	2,065	205,283
Acquisitions	243	-	30,000	231	-	30,474
Gain/(Loss)	2,621	357	12,881	(1,795)	(78)	13,986
Disposals	-	-	-	-	(4)	(4)
Market Value at 31 March 2022	14,847	5,633	216,541	10,735	1,983	249,739
Historical Cost at 31 March 2022	468	2,963	126,700	9,484	3,263	142,878

(b) Trust	Investment Properties	Salvation Army Common Investment Funds		Unlisted Investments	Subsidiaries Listed Investments	Total
		Fund 1	Fund 2			
	£000	£000	£000	£000	£000	£000
Market Value as at 1 April 2021	11,983	5,276	173,660	12,299	4,967	208,185
Acquisitions	243	-	30,000	231	-	30,474
Gain/(Loss)	2,621	357	12,881	(1,795)	-	14,064
Disposals	-	-	-	-	-	-
Market Value at 31 March 2022	14,847	5,633	216,541	10,735	4,967	252,723
Historical Cost at 31 March 2022	468	2,963	126,700	9,484	4,967	144,582

Unlisted Investments represent a 20% holding in William Leech (Investments) Limited. It is not considered to be an associated company and is valued in both the Trust and Consolidated Balance Sheets at share of underlying net assets which equates to its fair value.

	2022 £000	2021 £000
William Leech (Investments) Limited	10,733	12,297
Other	2	2
	10,735	12,299

Subsidiaries are accounted for at cost in the Trust Balance Sheet. The Consolidated Balance Sheet includes the subsidiaries' own listed investments.

Common Investment Funds

The Salvation Army Common Investment Funds hold a wide range of investments. The principal categories of investment and the relevant percentages held at the year end were as follows:

	Fund 1	Fund 2
Cash	11%	7%
UK Equities	11%	11%
UK Property Funds	0%	0%
Overseas Investments	78%	82%

17. DEBTORS

	Consolidated		Trust	
	2022	2021	2022	2021
	£000	£000	£000	£000
Connected Salvation Army Trusts and Companies	-	5,775	4,478	11,040
Taxation recoverable	1,205	907	673	437
Prepayments and accrued income	31,805	24,847	31,387	21,644
Other debtors	27,344	18,204	12,888	5,361
	60,354	49,733	48,258	38,482

Included in accrued income above is an amount of £2,940k (2021: £4,108k) which is the deferred consideration due in connection with the sale of shares in Reliance Bank in 2018/19 and which is receivable after more than one year. As the proceeds will be received over an extended period of time, the deferred consideration has been discounted to the net present value, and the reduction in the debtor of £1,169k, is the financing cost recognised in the SOFA.

18. CREDITORS: amounts falling due within one year

	Consolidated		Trust	
	2022	2021	2022	2021
	£000	£000	£000	£000
Loans repayable within one year (secured)	46	49	46	49
Connected Salvation Army Trusts and Companies	7,780	-	12,258	5,265
Tax and Social Security	-	-	5	-
Creditors and Accruals	36,258	33,651	10,796	10,564
	44,084	33,700	23,105	15,878

19. CREDITORS: amounts falling due after one year

	Consolidated		Trust	
	2022	2021	2022	2021
	£000	£000	£000	£000
Bank Loans (secured)	461	510	461	510
Bank Loans				
	Consolidated		Trust	
	2022	2021	2022	2021
	£000	£000	£000	£000
<i>Repayable by instalments</i>				
Within one year	46	49	46	49
More than one year, less than five years	159	170	159	170
More than five years	302	340	302	340
	507	559	507	559
	Consolidated		Trust	
	2022	2021	2022	2021
	£000	£000	£000	£000
Pension Provision				
Balance Brought Forward	-	3,348	-	3,348
Contributions payable	(4,000)	(4,000)	(4,000)	(4,000)
Interest on pension obligation	(50)	31	(50)	31
Change in assumptions	24	-	24	-
Contributions paid in advance	4,026	621	4,026	621
	-	-	-	-

20. ENDOWMENTS (Consolidated and Trust)

	Balance 1 April 2021 £000	Movement in Funds Income and Gains/(Losses) £000	Balance 31 March 2022 £000
Permanent Endowments			
ES Brant	2,099	6	2,105
Sir James Reckitt Trust	731	91	822
WJ Davis Trust	1,184	40	1,224
Other	1,221	219	1,440
	<u>5,235</u>	<u>356</u>	<u>5,591</u>
Expendable Endowments			
William Leech Fund	<u>12,317</u>	<u>(1,563)</u>	<u>10,754</u>
Total	<u>17,552</u>	<u>(1,207)</u>	<u>16,345</u>

The ES Brant Fund was formerly a separate Salvation Army Trust. Its purpose is evangelical work.

The Sir James Reckitt Fund was set up in 1916 for the benefit of the work of The Salvation Army in Hull. By administrative decision, the income is allocated as to 7/8ths for corps purposes and 1/8th for Men's Social Work.

The WJ Davis Fund was set up in 1991 to support the work of the Midnight Patrol and the annual income is transferred to the Social Trust to fund this work.

The William Leech Fund was initially set up in 1955 with annual donations thereafter. It is represented by a 20% holding of shares in William Leech (Investments) Limited, with the other shares held equally by four other Christian charities. The annual income is transferred to The Salvation Army International Trust as part of the United Kingdom Territory's contribution to the International Self-Denial Fund to help fund work in developing countries.

31 March 2021	Balance 1 April 2020 £000	Movement in Funds Income and Gains/(Losses) £000	Balance 31 March 2021 £000
Permanent Endowments			
ES Brant	2,082	17	2,099
Sir James Reckitt Trust	486	245	731
WJ Davis Trust	1,076	108	1,184
Other	630	591	1,221
	<u>4,274</u>	<u>961</u>	<u>5,235</u>
Expendable Endowments			
William Leech Fund	<u>10,299</u>	<u>2,018</u>	<u>12,317</u>
Total	<u>14,573</u>	<u>2,979</u>	<u>17,552</u>

21. RESTRICTED PROPERTY FUND (Consolidated and Trust)

Funding of properties for charitable purposes

	Balance 1 April 2021 £000	Movement in Funds Income and Transfers £000	Expenditure £000	Balance 31 March 2022 £000
Consolidated and Trust	332,060	18,410	(6,139)	344,331

	Balance 1 April 2020 £000	Movement in Funds Income and Transfers £000	Expenditure £000	Balance 31 March 2021 £000
Consolidated and Trust	321,395	20,643	(9,978)	332,060

22. OTHER RESTRICTED FUNDS (Consolidated and Trust)

	Balance 1 April 2021 £000	Movement in Funds Income and Transfers £000	Expenditure and Transfers £000	Balance 31 March 2022 £000
Corps funds	50,169	38,779	(36,742)	52,206
Legacy reserves	73,558	8,957	(5,620)	76,895
Trust funds	2,374	332	(276)	2,430
Specific donations	10,547	7,405	(2,594)	15,358
Consolidated and Trust	136,648	55,473	(45,232)	146,889

	Balance 1 April 2020 £000	Movement in Funds Income and Transfers £000	Expenditure and Transfers £000	Balance 31 March 2021 £000
Corps funds	48,157	33,308	(31,296)	50,169
Legacy reserves	77,028	8,646	(12,116)	73,558
Trust funds	2,079	612	(317)	2,374
Specific donations	9,259	10,045	(8,757)	10,547
Consolidated and Trust	136,523	52,611	(52,486)	136,648

23. UNRESTRICTED FUNDS (Consolidated and Trust)

	2022 £000	2021 £000
Designated Funds (i)	195,030	158,462
General Reserve (ii)	51,367	42,135
Trust	246,397	200,597
Non-charitable Trading Funds (iii)	21,714	19,624
Consolidated	268,111	220,221

(i) Designated Funds

The Unrestricted Funds of The Salvation Army include the following designated reserves which have been set aside by the directors for specific purposes:

	Balance 1 April 2021 £000	New Designations £000	Utilised/Realised £000	Balance 31 March 2022 £000
Property Purposes	55,739	6,000	7,606	69,345
Investment Property Unrealised Gains	11,984	-	2,863	14,847
Other Investments Unrealised Gains	70,291	-	12,664	82,955
Pension Reserve	621	-	4,026	4,647
Divisional Headquarters Reserves	6,063	-	501	6,564
Other	13,764	2,000	908	16,672
	158,462	8,000	28,568	195,030

(ii) General Reserve

This is required to fund the day-to-day needs of The Salvation Army.

(iii) Non-Charitable Trading Funds

This represents the profits retained in the trading subsidiaries to provide the working capital for their trading operations and capital for the long-term development of their businesses

31 March 2021

	2021 £000	2020 £000
Designated Funds (i)	158,462	115,498
General Reserve (ii)	42,135	21,510
Trust	200,597	137,008
Non-charitable Trading Funds (iii)	19,624	21,661
Consolidated	220,221	158,669

Designated Funds

	Balance 1 April 2020 £000	New Designations £000	Utilised/Realised £000	Balance 31 March 2021 £000
Property Purposes	48,317	5,000	2,422	55,739
Investment Property Unrealised Gains	13,856	-	(1,873)	11,983
Other Investments Unrealised Gains	36,140	-	34,151	70,291
Pension Reserve	(3,348)	-	3,969	621
DHQ Reserves	5,295	-	768	6,063
Other	15,238	-	(1,473)	13,765
	115,498	5,000	37,964	158,462

24. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

Fund Balances at 31 March 2022 are represented by:

	Endowment Funds £000	Restricted Funds Property £000	Other £000	Unrestricted Funds £000	Total Funds £000
Intangible assets	-	-	-	312	312
Fixed assets	-	348,986	-	9,955	358,941
Investments	16,345	-	94,682	138,712	249,739
Current assets	-	(4,145)	52,206	164,336	212,397
Current liabilities	-	(49)	-	(44,035)	(44,084)
Long-term liabilities	-	(461)	-	-	(461)

Total Net Assets	16,345	344,331	146,888	269,280	776,844

Fund Balances at 31 March 2021 are represented by:

	Endowment Funds £000	Restricted Funds Property £000	Other £000	Unrestricted Funds £000	Total Funds £000
Intangible assets	-	-	-	1,608	1,608
Fixed assets	-	332,965	-	13,455	346,420
Investments	17,552	-	86,477	101,254	205,283
Current assets	-	(343)	50,171	137,552	187,380
Current liabilities	-	(52)	-	(33,648)	(33,700)
Long-term liabilities	-	(510)	-	-	(510)

Total Net Assets	17,552	332,060	136,648	220,221	706,481

25. CAPITAL COMMITMENTS

The directors are continuing the process of refurbishing and developing Salvation Army properties. At the Balance Sheet date, contractual obligations entered by The Salvation Army Trust in respect of property capital schemes amounted to £60.5m (2021: £64.9m).

26. FINANCIAL COMMITMENTS

As at 31 March 2022 the total annual commitments under non-cancellable operating leases on vehicles and equipment and land and buildings, are as follows:

	2022		2021	
	Land and Buildings £000	Vehicles and Equipment £000	Land and Buildings £000	Vehicles and Equipment £000
Expiring within 1 year	6,237	435	4,827	170
Expiring between 2 and 5 years	13,292	1,793	10,522	1,823
Expiring in over 5 years	4,351	-	3,006	-
	23,880	2,228	18,355	1,993

27. RELATED PARTY TRANSACTIONS

The Salvation Army Trust supports the work of other connected Salvation Army trusts through the payment of grants and these are set out in Note 8. Grants of £1.4 million were paid to The Salvation Army International Trust and overseas Salvation Army territories (2021: £3.1 million) and a grant of £23.5 million was paid to The Salvation Army Social Work Trust (2021: £16 million).

An overhead recharge of £10.8m (2021: £10.0m) was charged to The Salvation Army Social Work Trust during the year, representing that Trust's share of central overhead costs, specific to The Salvation Army Social Work Trust which were incurred by The Salvation Army Trust. In addition, recharges of £68k (2021: £66k) were charged to The Salvation Army Social Work Trust for hire of rooms at corps premises.

The Salvation Army Trust uses the banking services of Reliance Bank Limited which is a subsidiary of The Salvation Army International Trust. At the year end The Salvation Army Trust held balances of £120.3 million with Reliance Bank (2021: £111.7 million). Interest was earned on deposit balances on a normal commercial basis.

28. RECONCILIATION OF NET MOVEMENT OF FUNDS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2022 £000	2021 £000
Net Movement in Funds	69,195	75,321
Losses/(Gains) on Investments	(13,986)	(36,531)
Depreciation: Properties	4,196	7,988
Transfer to Investment Properties at NBV	250	-
Depreciation: Motor Vehicles and Equipment	2,286	2,295
Amortisation of Goodwill	1,296	1,296
Gain on Disposal of Properties	(20,817)	(14,130)
Investment Income	(4,491)	(2,846)
Decrease in Stocks	310	77
(Increase) in Debtors	(10,621)	(901)
Increase in Creditors	10,387	(701)
(Decrease) in Pension provision	-	(3,348)
	<u>(31,190)</u>	<u>(46,801)</u>
Net Cash Inflow/(Outflow) from Operating Activities	38,005	28,520

29. CONTINGENT GAIN

The United Kingdom and Ireland Territorial Headquarters (THQ) building at 101 Newington Causeway is being sold to a developer and will be vacated in early 2024. The sale is conditional on the developer obtaining a planning permission for the project. If granted, the possible gain on the sale will be approximately £41m. The new THQ building will be funded from the proceeds from the sale of the current THQ.

30. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITY

As required by FRS 102 the SOFA set out below is the full analysis for the 2021 comparative.

				2021
	Endowment	Restricted	Unrestricted	Total
	£000	£000	£000	£000
INCOME AND ENDOWMENTS FROM				
Donations, Legacies and Grants				
Legacies	-	8,646	39,740	48,386
Donations - Public	-	12,665	67,238	79,903
Donations - Members	-	16,174	92	16,266
Grants	225	7,021	9,234	16,480
Trading Activities	-	3,291	55,270	58,561
Investments	-	1,314	1,532	2,846
Other				
Gain on disposal of property	-	3,066	11,064	14,130
Other income	-	569	872	1,441
Total Income	225	52,746	185,042	238,013
EXPENDITURE				
Raising Funds				
Costs of raising donations, legacies and grants	-	665	12,757	13,422
Costs of trading activities	-	4,590	64,252	68,842
	-	5,255	77,009	82,264
Charitable Activities				
Church and Evangelism Programmes	-	24,569	14,591	39,160
Community Programmes	-	32,028	17,060	49,088
International Programmes	-	3,063	3,213	6,276
Training Programmes	-	29	4,584	4,613
Youth and Young People's Programmes	-	-	1,822	1,822
Grant to The Salvation Army Social Work Trust	-	-	16,000	16,000
	-	59,689	57,270	116,959
Total Expenditure	-	64,944	134,279	199,223
Gains/(Losses) on Investments	2,754	597	33,180	36,531
Net Income/(Expenditure)	2,979	(11,601)	83,943	75,321
Transfer between funds	-	22,391	(22,391)	-
NET MOVEMENT IN FUNDS	2,979	10,790	61,552	75,321
Fund balances brought forward	14,573	457,918	158,669	631,160
Fund balances carried forward at 31 March 2021	17,552	468,708	220,221	706,481

31. POST BALANCE SHEET EVENT

During February 2022 Russian forces invaded Ukraine causing a humanitarian and political crisis which had a global economic impact, giving rise to significant falls in the UK and global stock markets. The trust's investment portfolio saw material unrealised losses after the year end, reflecting the volatility of the global markets. The main portfolio value fell from £221.8m at 31 March 2022 to £202.4m at 30 September 2022, representing a 9% fall in market value. The investment portfolio is being managed as part of a long-term investment strategy and its performance is regularly being monitored. At the time of this report, we do not expect the Russian/Ukraine conflict to materially affect our planned activity.

The uncertainty, and the associated sanctions against Russia and Russian individuals, has led to volatility in investment markets. How those events might develop, the scale of those developments and the wider impacts are hard to predict, though a period of heightened uncertainty seems inevitable. The amount of exposure to Russia is regarded as immaterial to The Salvation Army Retired Officers Allowance Fund and The Salvation Army Employees Pension Fund. The Trustees of the pension schemes have not identified any material risks to the funds or employer covenant because of Russian sanctions although the Trustees will continue to closely monitor the situation.

The mini-budget unveiled by the British Government in September 2022 has had a material impact on asset holdings of the pension schemes. When comparing the value of assets as at the last audited accounts (31 March 2022) the investments under management totalled £213.7m. The latest fund value, as at 14 October 2022, saw the investments under management reduce to £181.2m. It is expected that the liabilities will reduce over the period, due to bond yield prices moving, although at the time of these accounts being prepared the known number to indicate this change and whether the funding position on the technical provisions places the pension scheme in a surplus is unknown (although this is expected) but will be continued to be monitored and reviewed regularly.

THE SALVATION ARMY

England & Wales - Charity number 214779

Accounts



**The Salvation Army United Kingdom and Ireland Territory
The Salvation Army Trust
Report and Financial Statements for the United
Kingdom in the year ended 31 March 2021**

Charity Registration No: 214779 Scottish Charity Registration No: SC009359

Principal Office

Territorial Headquarters: 101 Newington Causeway, London SE1 6BN

www.salvationarmy.org.uk

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INTRODUCTION FROM THE TERRITORIAL COMMANDER



Commissioner Anthony Cotterill

The Salvation Army has often been described as ‘Christianity with its sleeves rolled up’ - and certainly that has never been truer than it was last year. As the pandemic struck, it brought not just sickness but economic devastation, unemployment, poverty and social isolation in its wake.

Facing such a crisis, we in The Salvation Army knew what we had to do. With God’s help, we responded quickly and compassionately to the needs of people in our own communities.

Our deep roots in cities, towns and villages across the UK, Ireland, the Channel Islands and the Isle of Man, meant that we understood what needed to be done. We didn’t

need to wait for a national strategy or central guidelines before we got down to work. Instead, our response was immediate, practical, agile, professional - and highly effective.

So, if anyone asks you ‘what was The Salvation Army doing in the pandemic?’ the simple answer is ‘we were there, at the heart of it, in over 600 communities.’

We were there to deliver food parcels, medicines and other necessities to people in desperate need. We were there to minister to people’s spiritual and emotional needs. Our online services reached many thousands of people who felt frightened and were trying to make sense of what was happening. Our phone calls and doorstep visits to vulnerable and isolated people raised their spirits and let them know that they were still loved and valued. We were also a persistent and forceful advocate for the needs of vulnerable people in our discussions with the Government.

At the same time, for us, the past year was never ‘all about the pandemic’. At no time did we lose our wider vision of the better, kinder world that we as Christians are called to build. Our long-term work with vulnerable people, such as people living with dementia and people with learning disabilities, continued. So too did our church life - even if, because of the coronavirus, we had to live it in new ways online, on doorsteps and in gardens.

In the messages I write for our annual reports, I always like to give my thanks to all the people who make our work possible - our devoted officers, staff members and volunteers; and everyone who supports our work. This year I do so with particular warmth and deep gratitude. Faced with an emergency like no other, everyone in the Salvation Army ‘family’ gave their time and effort unsparingly to serve others. I would also like to give special thanks to our donors for their wonderful generosity, at a time when the pandemic put a huge strain on our finances.

Last year we saw The Salvation Army at its very best. Thank you and God bless you for helping us rise to the challenge.

Commissioner Anthony Cotterill

Territorial Commander of The Salvation Army in the United Kingdom and Ireland

OUR VISION, MISSION & VALUES

Our Vision and Mission statements were explored and restated during 2020/2021 to reaffirm our sense of purpose and direction for The Salvation Army in the United Kingdom, Ireland, the Channel Islands and the Isle of Man.

Vision statement:

Our Vision:
Fullness of life
for *all* with Jesus

Mission statement:

Our Mission:
To *share* the good news
To *serve* others without discrimination
To *nurture* disciples of Jesus
To *care* for creation
To *seek* justice and reconciliation

Our values:

Boldness - We will courageously and confidently share the good news, seek justice and reconciliation, nurture disciples of Jesus, serve others without discrimination, care for creation.

Compassion - We will serve with the unconditional love and grace of God as the pattern for our behaviour.

Passion - We will bring our best selves, our God given energies and convictions to our work, service and learning, whether as officers, members, employees or volunteers.

Respect - We will receive each person with the dignity of those created in the image of God, while seeking the transformation God.

Integrity - We will be honest and transparent in all our dealings with each other and those we serve, being open about our motives and agendas.

Mutual accountability - We will willingly and freely give full account for our actions to those we interact with and expect the same in return.

OBJECTS OF THE SALVATION ARMY TRUST

The Salvation Army's principal objectives are the advancement of the Christian religion and pursuant thereto the advancement of education, the relief of poverty and other charitable objects beneficial to society or the community of mankind as a whole.

The following groups benefit from the work of The Salvation Army Trust:

- those who worship or participate in other activities at Salvation Army corps (churches) and community centres
- vulnerable and disadvantaged members of society, including homeless people, older and/or lonely people, children, young people and families, people dealing with issues of substance abuse
- the wider community of society as a whole

The Salvation Army takes a holistic approach, engaging with people's physical, emotional and spiritual needs, offering its services without discrimination.

EXPLAINING OUR STRATEGY, STRUCTURE AND OPERATION

The Salvation Army operates through two charitable trusts, The Salvation Army Trust and The Salvation Army Social Work Trust. This report and accounts outlines the work of The Salvation Army Trust, which is the charity registration through which we manage our programmes of engagement and support that are delivered through our local corps (churches) and our community centres.

Reported separately is the work we do through our Social Work Trust, which is the charity registration for our centrally coordinated programmes of support in Lifehouses for people experiencing homelessness, older people in our care homes, our addictions services and our delivery of support for the victims of modern slavery and human trafficking.

Summary of what The Salvation Army Trust does

- We offer and are energised by Christian worship, teach Christian principles and encourage Christians to live out their faith in every aspect of life. We promote the Christian good news through various media including literature, music, digital media and personal evangelism.
- We provide community programmes through corps (local churches) and in communities that are relevant to local needs, to assist people of all ages to enhance their quality of life, self-respect, personal development and relationships with others. We work alongside local communities to ensure that we are partnering with them and other agencies to meet local need. We do that through formal and informal activities.
- We seek to influence policymakers, providing information on social issues affecting people on the margins of society. We seek to amplify these voices and help society be fairer, more caring and just.
- We train and equip current and future Salvation Army officers, staff and volunteers.
- We financially support **The Salvation Army Social Work Trust** in the full range of services it provides.
- We support the international mission work of The Salvation Army, including development work and providing relief to those affected by disasters overseas.
- We review and adjust our strategies and programmes to respond to changing needs.
- We strive to achieve our vision of ‘fullness of life for all with Jesus’ in everything we do through five mission priorities: share the good news, seek justice and reconciliation, nurture disciples of Jesus, serve others without discrimination and care for creation. Operationally, we are prioritising transformation, integration and streamlining to increase our effectiveness and impact.

The scale of the work of The Salvation Army Trust

The Salvation Army Trust works principally through 621 corps (churches) and community centres.

England 501 (Includes Isle of Man 1, Channel Islands 3, rest of England 497)

Wales 34

Scotland 70

N. Ireland 16

A similar list of centres operated by The Salvation Army Social Work Trust is listed in the Report and Accounts for that trust.

How We Work

As this report will illustrate, The Salvation Army is a diverse, responsive, agile, Christian church and charity. Our strategy is to encourage effective and flexible activities focused on helping people experience life in all its fullness across all the communities in the UK where we have a local presence. 'Fullness of life' is a scripturally inspired aim which now forms the heart of our new vision statement.

The UK Salvation Army deliberately does not have a prescriptive, directive strategy for its delivery at corps or centres. Instead, we strategically prioritise local responses to local needs as the way we choose to work across the UK. The size, scale and professionalism of The Salvation Army can be underestimated due to this strategic decision. However, this report highlights how this approach enabled us to respond powerfully, quickly and in an agile and flexible - and above all, in a locally relevant way - to the pandemic as it spread across the UK and took its toll in different ways in different communities, age groups and diverse areas of deprivation.

Alongside the locally driven operations, The Salvation Army operates centrally co-ordinated and managed social services. This includes residential programmes for homeless people, care homes for older people, residential detox centres, family centres, refuges for victims of domestic violence, safe houses and services for the victims and survivors of modern-day slavery and human trafficking and our Employment Plus services. These services are managed in a top-down model due to the vulnerability of the people needing help and because of statutory regulations and contract requirements. These are our flagship national services, and they are managed and funded centrally through The Salvation Army Social Work Trust, which has its own Report and Accounts. Together the two Annual Reports and Accounts provide a comprehensive account of the work of The Salvation Army in the United Kingdom. At a local level, all parts of The Salvation Army are encouraged to work together to bring lasting change at local as well as national level - we call this 'integrated mission'.

On a wider context, The Salvation Army works in more than 130 countries on every continent, often in the forgotten corners of society. Our breadth of experience and hierarchical structure enables lessons learnt in one place to benefit people with similar challenges thousands of miles away. The rapid expansion of our work with victims and survivors of modern slavery and human trafficking is a good example of this strategic advantage.

The local diversity of The Salvation Army's operations is facilitated through centrally co-ordinated support services - such as HR, finance, property, IT, PR and fundraising, with some of these support functions also located in regional service centres. This approach enables us to be efficient and effective in the use of resources.

In addition, there are staff whose role is to learn lessons from local programmes, pilot schemes, share resources and successful outcomes from innovation and experience, with other Salvation Army operations to help us achieve our mission across The Salvation Army as effectively as possible. This approach helps to drive up the quality of our services to people who are often poor, marginalised and vulnerable.

Ensuring appropriate oversight and support to more than 600 diverse and locally responsive Salvation Army churches and community centres is challenging. Work has been ongoing in recent years to improve the quality of headquarters support to local units while ensuring cost efficiency and sustainability. This is led by the Structure Coordination and Design Project which is focused on three desired outcomes:

- **Transformation:** Increase the capacity of locally based Salvation Army work to contribute to the five mission priorities (share the good news; serve others without discrimination; nurture disciples of Jesus; care for creation; seek justice and reconciliation).
- **Integration:** Build strong and effective collaboration between all aspects of Salvation Army work in a geographical area.
- **Streamlining:** Design appropriate, effective, efficient and sustainable structures and processes that enable local mission to flourish.

This project is complex and is seeking gradual change over the next couple of years. To date, 3 of the 22 divisions have embarked on the change process resulting in a reduction to 20 divisions. Further transformation, integration and streamlining can be expected.

Because The Salvation Army's approach is to not have a tightly defined 'top down' corporate strategy and instead to prioritise local response to local need, and to ensure there is adequate funding for that to happen, illustrating all that The Salvation Army has achieved across the UK would be a colossal task. Therefore, this report highlights some of the developments we have implemented in the last year as we work to deliver our mission and strive to achieve our vision. We are blessed to have the resources to operate in this way and we believe - and know - that our approach helps transform the lives of thousands of people every day.

Our Organisational Structure and How It Enables Agile Delivery

Leadership of The Salvation Army:

The Salvation Army was founded in 1865 by William and Catherine Booth and is currently operating in more than 130 countries.

The world leadership of The Salvation Army is provided by the General of The Salvation Army. The General is assisted by officers and staff based at International Headquarters in London. The current General is Brian Peddle who was elected into office in August 2018.

The United Kingdom and Ireland Territory is under the command of a Territorial Commander, appointed by the General and responsible to him/her for the day-to-day administration of Salvation Army work throughout the British Isles, including the Channel Islands, the Isle of Man and the Republic of Ireland. Commissioners Anthony and Gillian Cotterill are the leaders of The Salvation Army in the UK and Ireland Territory.

Further information on our legal structures and our governance is included later in this Report.

Operational Structure:

The Salvation Army in the UK seeks to be an integrated, yet diverse, organisation that contributes to the betterment of society in the service of God and people. Legally, we are structured under two main trusts. These are:

- The Salvation Army Trust; and
- The Salvation Army Social Work Trust

Therefore, we publish two separate reports and accounts. This document is the Annual Report and Accounts for The Salvation Army Trust. Together, both trusts reflect the life and work of The Salvation Army as a whole and exist to enable effective management and accountability for the two main ways in which we work.

To ‘make sense’ of The Salvation Army, it is important to remember that The Salvation Army is essentially a church. Everything The Salvation Army does should positively contribute to making the world a better place - as God intends it to be.

We have a network across the UK of over 621 local corps (churches) community centres. These are generally run by corps officers, who are trained and commissioned (ordained) Salvation Army ministers of religion. Each corps officer is accountable to his or her community but is operationally accountable to one of 20 divisional commanders who in turn report to the headquarters, based in London.

This strong community presence is the way in which we ensure we respond to local needs in local ways. What we do is generally decided on and delivered locally. The costs and delivery of this network of corps, and the infrastructure and the centralised operations that support it, is the subject of this Annual Report and Accounts for The Salvation Army Trust.

The Salvation Army is a church and charity that doesn’t just help people by providing immediate, practical support to overcome issues such as addiction, homelessness, social isolation, or poverty; it also strives to address the reasons behind the suffering, with a view to effecting sustainable change in individuals and society at large.

Therefore, what sets The Salvation Army apart from other organisations is the combined strength of our centrally co-ordinated social work services and the local responsiveness of our corps (churches) and community centres who are all playing their part to bring lasting change at a local and national level.

Every officer, member of staff and volunteer brings their own unique insight into the lives of the service users and communities they serve, to inform the work that we do and help us prioritise which reforms we will campaign for on behalf of the marginalised and vulnerable.

TWO DISTINCTIVE FEATURES OF 2020/2021

Our Pandemic Response

This report and accounts cover the 12 months that started with the first COVID-19 Lockdown. The pandemic, the restrictions that followed, the national, regional and local guidelines had a huge impact on the way in which The Salvation Army worked. Often, the communities that were the hardest hit by the pandemic were the very communities where our work is needed the most. Our churches and community centres and charity shops closed for long periods and even when they opened, there was no return to normal.

Despite this, as the following section highlights, The Salvation Army rose to the challenge of delivering its mission, within its charitable objectives, with a characteristically true spirit of innovation, determination, sensitivity to need and willingness to adapt. Our organisational approach in The Salvation Army Trust is to ensure our 'frontline'- our corps and community centres - has the resources they needed to meet local need, to deliver services in adapted ways, and to innovate. In some ways, it could be said that the Pandemic saw The UK Salvation Army at its best - responding positively to a national crisis.

We have always provided companionship for older people, so we found new ways of doing this, often through telephoning and through a form of 'doorstep ministry'. We have always supported disadvantaged families, so, as the impact of the pandemic really started to bite and food was becoming less available, we opened food hubs to ensure local food banks remained stocked. We developed food parcel delivery programmes and used the kitchens in our centres to provide take away services for people in need of hot and cold meals. We met the needs of local people experiencing homelessness, who were temporarily housed in B&Bs, with hot meals and advice. We supported people with debt advice and emotional support. We found new ways of carrying on our youth work and children's work, often using digital channels. We found new ways to carry on worship and innovative ways to keep our music flourishing. The territorial leaders issued weekly, short messages on YouTube aimed at everyone but especially to the UK Salvation Army community, to sustain a sense of belonging and motivation, which were watched on average 1,800 times a week.

Therefore, what this report aims to demonstrate is the immensely diverse and hugely practical way in which The Salvation Army 'rolled up its sleeves' across hundreds and hundreds of churches and community centres across the UK in the face of the pandemic and delivered exactly the services and support that was needed locally. This report can only highlight examples of this response, but it is a testament to the commitment of our officers, staff and volunteers that for the entirety of the year under review, The Salvation Army was doing all it could for the people who needed us the most. Consequently, The Salvation Army benefited from the single most significant increase of donated funds that we have ever seen to enable us to meet that need and we owe immense thanks to all who supported us with donations, grants and gifts in kind.

Restating our Vision and Mission and affirming our Values

Late in 2019 an Identity Task Force was convened to review the vision, mission and values statements used by The Salvation Army in this territory. This was felt to be timely and necessary because a sense of identity can become weakened over time as a result of our diverse operations and expressions. We are involved in so many different activities. We are not simply a local evangelical church. Neither are we only a homelessness charity or a social service agency or a chain of charity shops or a leader in the fight against human trafficking and modern slavery. A strong, consistent identity helps answers questions such as ‘Who are we?’ ‘What are we doing?’ ‘What do we want to be in the future?’

The Salvation Army has a fundamental belief that it is part of the universal Church, raised up by God with a unique identity and proud history. Our identity must have the capacity to ‘make sense’ to today’s Salvation Army members as well as employees, volunteers, the people we serve, our supporters and our ecumenical partners.

Therefore, a **new Vision Statement** was approved and communicated to help us capture the difference we want to make in the UK Territory and indeed the wider world.

‘Fullness of Life for All with Jesus’.

This is ‘Our Vision’ for every part of The Salvation Army. It is inspired by the words of Jesus who said: ‘I have come that they may have life, and have it to the full’ (John 10:10 NIV). ‘Fullness of Life for All with Jesus’ includes every aspect of Salvation Army life. We believe everyone can enjoy fullness of life with Jesus. It is aspirational - we are not there yet - but this is what we strive towards.

We also developed and implemented a **new Mission Statement**. The Mission Statement is built on five principles which should act as the drivers for all we do, how we do it and why we do it, across the entire organisation.

‘Our Mission’ is to:

- Share the good news;
- Serve others without discrimination;
- Nurture disciples of Jesus;
- Care for creation;
- Seek justice and reconciliation.

These short phrases communicate immense challenge and ambition and direction. When these priorities are present, The Salvation Army is working towards ‘Our Vision’ of ‘Fullness of Life for All with Jesus’. Each of the five priorities of ‘Our Mission’ are rich in meaning and help us explain to 21st century society why the Christian message and the work of The Salvation Army is relevant and desperately needed in our communities and nations.

Our values have been refreshed and refocused on the behaviours that should result from living out the values. Our values are for everyone involved in The Salvation Army and must be reflected in our behaviour and result in good relationships, increased wellbeing and help us integrate what we do with how we do it. The basic standard of Christian behaviour, derived from our understanding of the character and action of God, is love so we need to continually be drawn back to understand how God is asking us to live and work together to help us be faithful to our calling to be God's people.

The six values are unchanged but the explanation of what they mean has been refreshed:

Boldness: We will courageously and confidently share the good news of Jesus, seek justice and reconciliation, nurture disciples, serve others without discrimination, care for creation.

Compassion: We will serve with the unconditional love and grace of God as the pattern for our behaviour.

Passion: We will bring our best selves, our God given energies and convictions to our work, service and learning, whether as officers, members, employees or volunteers.

Respect: We will receive each person with the dignity of those created in the image of God, while seeking the transformation God.

Integrity: We will be honest and transparent in all our dealings with each other and those we serve, being open about our motives and agendas.

Mutual accountability: We will willingly and freely give full account for our actions to those we interact with and expect the same in return.

Finally, we agreed a new, simple statement to explain why we are here and frames all we are and all we do as a church and charity. Four words achieve this,

'Love God, Love Others'

This is based on Jesus' Greatest Commandment in Matthew 22:37-39 to 'love the Lord your God' and to 'love your neighbour as yourself'. 'Love God Love Others' underpins, inspires and motivates everything we do, in every part of The Salvation Army.

2020/2021: FULFILLING OUR MISSION IN A DISLOCATED WORLD TRANSFORMED

HIGHLIGHTS, ACHIEVEMENTS, DELIVERY AND IMPACT ACROSS THE UK

Our ethos is to resource, enable and facilitate our ‘frontline’ of over 620 churches and community centres to identify the most pressing needs in their communities and implement ways to meet those needs. This means that across the UK, there are many hundreds of programmes, initiatives and services in operation at any one time, in support of tens of thousands of people. These programmes are always evolving and developing, and this section of the Report and Accounts serves to illustrate innovations and highlight examples of The Salvation Army putting its faith into action during 2020/2021.

FAST AND EFFECTIVE - OUR RESPONSE TO THE CRISIS

In the early months of 2020, a tiny virus transformed the world completely. As the coronavirus pandemic spread to the UK and Ireland, it brought sickness, economic devastation, unemployment and poverty. It also brought loneliness, as many people became isolated in their own homes.

Never has The Salvation Army’s ‘can-do’ spirit been needed more. As a church and charity that is rooted in hundreds of communities, we were right in the front line of the crisis - and we responded immediately to people’s needs, doing what needed to be done.

- We greatly expanded the capacity of our foodbanks to feed hungry people. We established 22 regional food hubs and introduced central purchasing of food to keep prices low. As a result, we were able to make donations go further and reach many more hungry people.
- We supported the most isolated members of our communities - delivering prescriptions and medical supplies and regularly phoning people in isolation to check that they were all right.
- We delivered thousands of items of protective personal equipment (PPE) to frontline NHS staff to help protect them against the virus.
- Our drop-in centres and night-shelters for homeless people offered doorstep health advice, food parcels and overnight accommodation.
- When the vaccination programme started, we made some of our centres available for use as vaccination stations. Salvation Army officers, staff and volunteers who are medically trained also served as vaccinators to support the NHS.

Our crisis response work was highly effective because it was inspired by the needs of people. Our officers, staff and volunteers know the communities they serve. They know how to reach the people in greatest need when a crisis comes. They were also part and parcel of a community-wide response to the pandemic in hundreds of cities, towns and villages, working with local authorities, health services, churches and voluntary organisations to make sure no one in need was ignored.

■ **The power of innovation:** The lockdowns we saw at several times during the year made it near-impossible to deliver our services in the traditional way. Face to face meetings become out of the question. Our centres, while still open for busy officers, staff and volunteers, had to be closed to the public for long periods. Lunch clubs for older people and youth clubs were no longer possible. Even services like employment advice and debt advice located within corps buildings - which were badly needed during the crisis - could not go on in the usual way.

Yet we were determined that the pandemic was not going to beat us. And this is where we used our imagination to transform the way we worked. For example:

- We used telephone, email and online meetings to provide employment support and debt advice.
- We organised activities for young people online, including opportunities to meet up with their friends and watch films or play music together.
- We delivered activity packs to parents of young children, with games, puzzles and suggestions for things they could do to stay busy and active during lockdown.
- Our Christmas dinners for people living alone became festive ‘meals on wheels’, delivered with a cheery ‘happy Christmas’ to their doors on Christmas Day.

■ **Compassion without boundaries:** The coronavirus pandemic is a worldwide crisis - and The Salvation Army is a worldwide Christian church that knows no boundaries. That is why we in this country did all we could to reach out to countries which have little or no health provision to offer them practical help.

In the past year we funded £145,475 of projects, helping over 38,000 people in ten countries: Zimbabwe, Mexico, Kenya, Mozambique, Ghana, Bolivia, Peru, Chile, Brazil and Pakistan. We delivered over 28,000 food packages to families under quarantine and families faced with loss of employment due to the coronavirus. We delivered 3,900 sanitation and hygiene kits to vulnerable families. In some communities, we also delivered awareness-raising leaflets and posters to help prevent the spread of the virus.

This was, of course, just a small part of The Salvation Army’s global response to the pandemic, which has involved every Salvation Army territory, command and region in almost every part of the world.

■ **Fundraising in a crisis:** At the beginning of the year, when the full magnitude of the coronavirus pandemic became clear and we were several weeks into the first lockdown, it seemed as if The Salvation Army was headed for a huge and potentially devastating financial shortfall. The demand on our services, especially our foodbanks, was at an all-time high. At the same time, many of the sources of our income, including street collections and charity shops, were wiped out by the lockdown and the need for social distancing. In April 2020, our forecast was that our income would fall by £40 million in the 2020/21 financial year.

That this terrible situation was averted is largely due to the generous response we received from warm-hearted members of the British public to our appeals for funds. Donations, large and small, came in to help fill our shortfall. The result was that we ended the year with a surplus of £30million against reforecast budget.

We are immensely grateful to everyone who rallied to us so wonderfully in our time of need.

We recognise that the economic and social effects of the pandemic will continue for some time, putting more demand on our services and stretching our resources for years ahead. However, we are immensely heartened by the generosity of our supporters in the past year and hopeful that, with their continued help, we will be equal to the tasks ahead.

■ **Living with the pandemic - an officer's story:** One of the most striking accounts of how The Salvation Army lived and thrived through the pandemic comes from Major Andrea Still, of our Portsmouth Citadel. She wrote to our Territorial HQ to give this account:

‘Here at Portsmouth, we took the decision to keep our doors open (or more accurately our foyer) and our reception manned, so that people who needed help could still have a face-to-face conversation with someone. It meant that hundreds of people were able to access essential services, through phone calls we made on their behalf when normal access was not possible. We even had a lady fleeing domestic violence with her children and everywhere else she went was closed.

‘Our food bank, nursery and Good Neighbours befriending, and shopping service continued, and our messy church at home [activities for children] really took off as many of our families struggled with lockdown in high-rise flats with no garden. Our Salvation Army folk were mobilised to make welfare calls to vulnerable people. At the height of the pandemic, we were making 450 calls a week, and doorstep visits when able.

‘I have never felt so supported as in this past year. All the way through this journey, many different sections of The Salvation Army, including IT, community services and emergency services, were proactive in supporting us. Your communications team kept us up-to-date and picked things up from what officers were needing via social media.

‘I hope we are able to learn much from these experiences about availability, innovation and Spirit-led responses that sometimes involve taking risks, so that we are truly fitted for our mission.’

■ **Her Majesty says thank-you:** The Salvation Army was honoured to receive the thanks of Her Majesty The Queen for our work in the pandemic, at an event in the grounds of Windsor Castle in December. The event, held in honour of charity and key workers, saw a Salvation Army band perform a selection of Christmas carols for Her Majesty, the Prince of Wales, the Duke of Cambridge, other members of the Royal Family and guests.

Speaking of the occasion, The Salvation Army's UK leader Commissioner Anthony Cotterill said: ‘I am greatly heartened that our support for rough sleepers, struggling families and isolated older people throughout this very difficult year have been recognised.’

■ **Working towards a post-pandemic world:** The pandemic brought challenges, hardships and a good deal of sorrow into our lives. But for The Salvation Army there are positive things to be taken from the experiences of the past year.

The pandemic perhaps gave us a deeper knowledge of, and a closer relationship with, our communities. It taught us more agile and flexible ways of working, including less travelling to meetings and more use of online communication. It highlighted the potential that the internet offers to improve the lives of isolated people and to spread the Christian Gospel. It helped us build new relationships with other community organisations with whom we worked in the pandemic.

During the pandemic, our territorial Research and Development team carried out a project on how coronavirus has affected our front-line work. The team spoke to 404 local church leaders to help them understand how The Salvation Army had changed the emphasis of local work, and to capture the spiritual and organisational challenges that we will face in order to thrive in the future.

PROCLAIMING OUR FAITH IN A NEW ERA

The Salvation Army is an international Christian church worshipping and working in 131 countries and has more than 620 local churches in the UK. Our purpose is to extend God's Kingdom on earth as it is in heaven so that fullness of life for all with Jesus becomes an increasing reality. Our work is energised by our worship of God and the inspiration, passion and energy for all the work we do comes from God. Throughout this report, you will read examples of Salvation Army corps (churches) involved in a wide range of activities and service to community, responding creatively and with spirit to the pressures of the pandemic and the opportunities it created.

■ **Ministry online.** When the coronavirus pandemic began to sweep across the UK, Salvation Army churches across the country closed their doors in line with government guidance and embraced technology. They streamed worship online and used social media and video communication to maintain a presence and enable congregations to stay connected.

As lockdown measures began to ease, our magazine *Salvationist* carried out a survey to find out how our local churches were using online ministry before the lockdown and whether they planned to maintain an online presence post-lockdown.

The results revealed that 67.4 per cent of the churches surveyed had an online presence before the lockdown. As well as Facebook and Twitter accounts, some churches had closed Facebook groups for children's activities. During the pandemic, not surprisingly, we have seen a sharp increase in online activity. A large majority of the corps surveyed used Facebook (95.3 per cent), Zoom (79.1 per cent) and YouTube (74.4 per cent) to connect. Online activities include Bible study, live streaming meetings and music practices.

Captain Sarah Pitts, Salvation Army leader in Oldham Roundthorn, is one of many church leaders who is enthused by the potential which online communication offers in the future. She says: 'We have had our eyes opened to the possibilities of online ministry.'

■ **Online resources to inspire young people.** In the past year, The Salvation Army has developed a range of online resources to keep young people active, raise their spirits, safeguard their mental health, and deepen their spiritual understanding. They include Upbeat and Made To Be, two resources for boys and girls respectively to build help them build emotional resilience. We also introduced Inside Out, a resource to enable young people to get into the Bible and apply it to their lives today - in conjunction with which we also distributed 1,300 Youth Bibles. A special promotion called Young Volunteers was aimed at encouraging young people to volunteer in charity shops in the school holidays.

■ **Connecting with young people.** Our Youth and Children's Ministries Unit has conducted a survey to help The Salvation Army develop an effective approach to future work with young people. More than 1,400 people across the territory took part, including children and young people themselves, corps officers, youth and children's workers and divisional and regional specialists.

The results, published in a booklet called Listen Up, revealed a need for effective discipleship. Youth workers were looking for up-to-date and culturally relevant resources that young people would engage with and that would get them excited about their relationship with God. Their comments are now inspiring new and better materials for bringing the Gospel to young people.

■ **New officers, new commitments.** In July, 20 cadets of the Messengers of the Kingdom session at our college were commissioned as Salvation Army officers. They come from a wide variety of different backgrounds - and each has his or her own reason for believing passionately that God called them to serve in this very demanding way.

Lieutenant Debbie-Anne Howarth is one of the newly commissioned officers. She says: 'Previously I worked in the finance department of a fabric manufacturer in Tiverton. Then I heard God speaking to me, through the words of the song There Are People Hurting In The World Out There. During her training, Debbie-Anne was given the verse: 'Care for the flock that God has entrusted to you. Watch over it willingly, not grudgingly - not for what you will get out of it, but because you are eager to serve God' (1 Peter 5:2). As they embark on their careers as Salvation Army officers, she and her husband John are more certain than ever that this is what God is calling them to do.

■ **War Cry brings faith to people in prison.** The War Cry had an unexpected circulation boost during the pandemic as prisoners requested copies to help them cope with self-isolating. More than 15,000 copies were delivered to 31 jails in England and Wales, representing a 16.5 per cent increase. One prisoner wrote to us to say: 'I wanted to let you know the positive impact you have on prisons in the UK. I feel a stronger connection to God than I ever have. This has been greatly helped by the War Cry.'

Prison Ministries Officer Major Paul Johnson says: 'Some of the most vulnerable and marginalised people are in prison. Mental health struggles, self-harm and addiction are all prevalent. Prison chaplains are dedicated and courageous in reaching out to support prisoners. Supplying the War Cry often helps to start a relationship with a prisoner, and we have seen salvation come into many people's lives in prison.'

■ **Celebrating light, life and love.** Salvationists from the UK and Republic of Ireland Territory joined together online this year for an inspiring congress on the theme of Light, Life and Love. The theme was taken from former General Albert Orsborn's song, 'Light, life and love are in that healing fountain'.

The programme included music, dance, personal testimonies, and prayer. The Chief of Staff of The Salvation Army, Commissioner Lyndon Buckingham, and the World Secretary of Women's Ministries, Commissioner Bronwyn Buckingham were the guest speakers. In his address, the Chief of Staff emphasised that our love for God is demonstrated in our love for our neighbour. He added: 'When we know God's love, love him in return and love others, then we experience fullness of life.'

IN THE FRONTLINE AGAINST POVERTY

The last year saw many communities that were already struggling, hit even harder by the impact of the pandemic, in so many ways. The Salvation Army was ready to respond to new situations and an increasing level of need across the UK, sometimes from people who never before thought they would be turning to a charity for support and advice.

■ **'Operation Food Parcel'.** Poverty was already increasing in the UK, even before the pandemic. Figures published by the Joseph Rowntree Foundation in December 2019 estimated that the number of children living in destitution had risen by 52 per cent in two years. Even before the lockdown began, it was obvious that the pressure on our foodbanks would grow enormously during the pandemic, as more people lost income and jobs and faced dire poverty. At one of our busiest foodbanks, in Preston, referrals for food parcels doubled in the week before lockdown - and a similar situation was reported in many other communities.

The Salvation Army's response was 'Operation Food Parcel' - a concerted effort to meet the increased demand on our foodbanks. An urgent appeal was issued to supermarkets, wholesalers and business generally to give bulk donations of non-perishable food. Meanwhile, our whole foodbank operation was reorganised by introducing bulk buying to keep costs down and establishing 22 regional hubs where food could be stored, packed and delivered to individual Salvation Army churches around the country.

- In **Reading**, The Salvation Army responded to the coronavirus pandemic by starting a food distribution hub, supported by many local residents and businesses who donated food. Local church leader Major Richard Welch said: 'We are delivering hundreds of meals for families facing hardship. We are also providing meals for elderly or vulnerable people who are not getting their usual support due to the restrictions.'
- In **Jersey**, we greatly expanded our work of feeding hungry people. A large-scale foodbank was set up to serve hungry people with food parcels. It helped more than 600 people and 300 families during the pandemic.
- In **Guildford**, we increased our foodbank distribution from 30 to 250 parcels per week.

- In **Chippenham**, we greatly increased the capacity of our foodbank, providing more parcels in a day than we would normally give in a month. Volunteers from the Rotary Club, Chippenham Borough Lands Charity and other churches joined with Salvation Army volunteers to make this possible.
- In **Sunderland**, The Salvation Army's Southwick Community Project responded to the pandemic by starting a 'knock and drop' service. This allowed businesses to donate items to the emergency food supply, simply by knocking on the office window and dropping the food at the front door. It also allowed vulnerable people to pick up much-needed food parcels and see a friendly place at a time when social distancing was in force.
- In **Cardiff**, homeless people continued to be able to get food and hot drinks from The Salvation Army. We used an emergency response vehicle with an extendable service hatch to serve food and drinks while keeping a safe distance between customers and our staff and volunteers.
- In **Govan**, our volunteers worked alongside the local housing association to knock on doors and serve hot meals and drinks, as well as handing out food parcels to those hardest hit by the crisis. Our team there reported that they were able to help a 94-year-old resident who hadn't had anything to eat for five days.
- In **Portsmouth**, The Salvation Army expanded its Good Neighbours Project so that it could help older people who were lonely and isolated. Major Andrea Still, one of our local officers, told us: 'We're doing double the amount of home shopping for vulnerable and isolated people that we were doing at the start of the crisis.'
- In **Walthamstow**, we are providing vulnerable families with necessities such as nappies and formula food for their babies. One of the parents who received this help wrote thanking us for 'bringing a little relief into an unbelievably stressful situation.'

■ **Helping schools to lock down hunger.** During the pandemic, The Salvation Army joined forces with other churches and charities for Lockdown Hunger, an initiative to support children and families in need over the summer.

Government data shows 4.1 million children in poverty. Of these, 1.3 million qualify for free school meals. However, school meals were not available during the summer holidays, leaving some hard-pressed families struggling to feed their children. Lockdown Hunger encouraged churches to approach schools in their area to discuss pupils' needs and offer help, in the form of food deliveries or organising activities for the children.

Chelmsford is one of the areas where The Salvation Army ran local initiatives to ease the problem of 'holiday hunger' among children and young people. Eighty-two school-age children from low-income families received goody bags, which contained fruity snacks, biscuits and other treats. The children and their families, including some who lived in a local women's refuge, also received more than 300 food parcels from The Salvation Army over the summer.

■ **Uniform banks help kids back to school.** In the past year, demand for second-hand uniforms soared because of the effects of the pandemic. That's why many of our church communities ran school uniform banks to support families who need help clothing their children as they returned to the classroom after the lockdown.

For example, Cannock's school uniform bank provided 279 children aged 3 to 16 with blazers, shorts, PE kits, trousers in the last two weeks of August. Faversham supported 134 children within a fortnight of opening its Community Wardrobe.

■ **A Royal helping hand.** Her Royal Highness Princess Eugenie and her husband Jack Brookbank helped pack emergency parcels at The Salvation Army's regional food distribution hub at the Croydon Citadel. The Princess said: 'In the past few years I have witnessed first-hand The Salvation Army's dedication and hard work, so when they invited Jack and me to their newly created hub to pack boxes, we jumped at the chance. With a group of volunteers, we helped pack trolleys of food that are distributed to The Salvation Army's hugely important and much-needed foodbanks that feed thousands across the UK.'

REACHING OUT TO VULNERABLE PEOPLE

The diversity of our work is a result of our strategy of ensuring our local presence was equipped and enabled to respond to local need, in an agile way. The examples below are just a few of the hundreds of ways The Salvation Army meets changing - and emerging needs across the UK.

■ **The Salvation Army joins vaccination drive.** The Salvation Army played its full part in a nationwide effort to get people vaccinated against coronavirus. Several of our centres were volunteered for use as vaccination centres. One of them is in Lower Earley near Reading. Envoy Roger Coates, the local Salvation Army leader, says: 'It is only right that we offer our building to help the fight against this deadly disease.'

Lieutenant Daniel Holland, our assistant regional homelessness manager for London, is among those who have been trained to carry out vaccinations. Daniel volunteered to cover vaccination shifts at GP surgeries and other centres at weekends. He said: 'I simply couldn't stay at home at weekends when I knew people were suffering.'

Many Salvationists were also involved in the vaccination drive through their jobs in the health service. Among them is Charlotte Sharman, a member of our Regent Hall church in London. She is a practice nurse and vaccinated residents of a local care home. She says: 'Everyone told me how happy they were to be receiving the vaccine. It is such a blessing to be part of getting our communities back to normal.'

■ **At the heart of the community.** A former Lidl store has been renovated by The Salvation Army in Chesterfield to provide a worship space as well as a centre for donated goods. The new centre now offers a range of goods donated to The Salvation Army, including affordable and good-quality second-hand furniture, clothes and bicycles. Other features include a community refrigerator and cupboard, providing free food for people who need it and a community space which will give visitors a chance to sit and enjoy a cup of tea.

■ **Putting people's needs first.** In partnership with Age UK, Mid-Suffolk district council and Community Action Suffolk, The Salvation Army in Stowmarket has helped 23 families with highly individual needs. For example, an isolated older woman could not walk, so volunteers changed her bed and brought her food. Others who have received food include a blind woman and a 93-year-old RAF veteran whose wife is living with dementia. We have picked up prescriptions for a couple who require more than 21 medications. For a mother with a PEG-fed child (fed by a tube into the stomach) we supplied anti-bacterial wipes and laundry soap. We have also given much-needed kitchen appliances and other household goods to hard-pressed single parents.

■ **Raising awareness of domestic abuse.** The Salvation Army is working to raise awareness of domestic abuse. As part of this work, we have produced a film entitled Domestic Abuse: What? Why? How? which is intended to be shown to church and community groups. The film explains why it is necessary to discuss domestic abuse so that we can help victims of domestic abuse and also help perpetrators who want to stop their abusive behaviour, Captain Emma Scott of Mitcham Salvation Army, one of the presenters of the film, says: 'This film will help our corps, centres and offices to be safe spaces for people to approach us about domestic violence, Sadly, many people live with domestic abuse for a significant period before getting effective help, so we need to be alert, to spot the signs, and to provide sanctuary spaces for conversations to happen.'

■ **Gifts and carols.** In Perth, The Salvation Army packed more than 70 boxes with Christmas treats and an invitation to join Perthshire churches' online carol service. The boxes were distributed to staff and volunteers at our charity shops, our furniture project and our nearby Lifehouse (centre for homeless people). They worked hard to ensure that the boxes reached people in need of friendship and companionship over Christmas.

■ **Combating isolation.** The Salvation Army in Harwich teamed up with other local organisations to launch a new support website and helpline for vulnerable people during the pandemic. Called Harwich Helps, it offers practical and emotional support. Services on offer include food delivery for self-isolating people, food supplies for people experiencing financial hardship, and collecting and delivering prescriptions. We also offered utility top-ups so that people could afford stay warm and cook their own meals.

■ **New website puts people in touch.** The Salvation Army launched a new website for the UK and Republic of Ireland, which is easier for members of the public to 'navigate' than the old one. Secretary for Communications Lieut-Colonel Dean Pallant explained: 'Our priority is to connect with people who have little or patchy knowledge of our work and who want to know more. Statistics reveal that most people come to the website to find their local Salvation Army church or charity shop. The new website makes it easier to do so.'

■ **Star volunteers.** Film stars Jude Law, Katherine Waterston and Naomie Harris helped out at our homelessness drop-in at Chalk Farm. The actors were placed by SpareHand, a community support group that provided volunteers during the pandemic. Naomie is best known for playing Miss Moneypenny in the past three James Bond films. Katherine and Jude appeared in the Harry Potter spin-off Fantastic Beasts.

■ **A volunteer's story.** For the past ten years, Vanessa has run activities for young people at her local Salvation Army centre. But when the pandemic came and many of these activities could not continue, she volunteered instead to prepare food for people in need. In her new role, Vanessa has learned a lot about her community. She says: 'Many people coming to us have never used a food bank before. Many feel anxious and just need someone to acknowledge them, offer a smile or to say hello. It gives me a feeling of joy to help someone in this way.'

She adds: 'Whether in my role as a youth worker or in the kitchen as a cook, I do it because of a promise I made to God when I was 10-years-old. On my birthday, I was told to blow out the candles on my cake and to make a wish. I asked God to bless me so that I could bless others. Through the work of my local Salvation Army, I am able to do that.'

A SAFE PLACE AND A FRESH START FOR HOMELESS PEOPLE

The Salvation Army has been at the forefront of efforts to reduce homelessness and support homeless people since its earliest days. We provide a range of services for homeless people, including many community-based initiatives tailored to local needs which had to adapt significantly during the pandemic, and this is highlighted below. Our residential programmes are reported separately in the Salvation Army Social Work Trust report and accounts.

■ **Hope after hospital.** Last year, The Salvation Army introduced a new, much-needed service to homeless people who were due to be discharged from hospital. They were offered 'step-down beds' at our St Ann's building in Westminster, which gave them a safe space to recover while also freeing up NHS beds. We provided round-the-clock care, while a specialist nurse and housing worker from Guy's and St Thomas' NHS Foundation Trust visited the patients twice a week to support them with their health needs and help them move on to longer-term housing.

Tess James, a clinical nurse specialist with Guy's and St Thomas' Homeless Health Team, said: 'Many of the patients are clinically vulnerable and are unlikely to survive sleeping rough. By giving people a safe place to live, we can continue to provide the care they need.' Patients were also signposted to legal and housing support and alcohol and drug services to help them get back on their feet and make a fresh start.

Whilst this service delivery was managed by our Homelessness Services Unit, which forms part of The Salvation Army's Social Work Trust, The Salvation Army Trust helps fund the costs of HSU work and this is an illustration of how across both trusts, The Salvation Army can respond to needs with innovative solutions and make additional use of our buildings.

■ **A warm bed in winter.** Salvation Army churches in several areas opened their door to rough sleepers during the winter months as temperatures dropped. One of them was in Bury in Lancashire, where we set up an emergency shelter with Adullam Homes Housing Association and Bury council. The initiative was part of the Severe Weather Emergency Protocol, a national scheme which aims to provide a bed for those sleeping on the streets when temperatures drop below zero.

We provided two rooms with camp beds for eight people in total, ensuring the accommodation was covid-safe. The beds were needed most nights in January due to the bad weather and the service continued to run until March. Lieutenant Hannah Borrett, of the Bury Salvation Army, said: 'The Salvation Army wants to make sure no one spends a night on the street over winter. Providing safe and warm shelter for the most vulnerable people is at the core of what we do.'

■ **Food for homeless people.** During the worst of the pandemic, The Salvation Army in Cambridge provided breakfast, sandwiches and a hot meal for up to 75 people a day. Most of them were people experiencing homelessness who had been given accommodation in hotels and guest houses without cooking facilities. A small team cooked, packed and delivered the meals from our church and community centre. Food parcels and hot meals were also given to isolated older people and families who were struggling to make ends meet.

■ **Where no one forgets you.** In Edinburgh, The Salvation Army's Niddry Street Wellbeing Centre provides a safe place for people in need of support. They include homeless people, those with addictions, and those at risk of losing their homes because of health or other issues. Before the pandemic, many people came to the centre to get a hot meal and a shower and receive help and advice. And when the lockdown started, and much of the existing activity had to stop, the team who run the centre didn't stop working.

Susan, the programme manager, says their focus during the pandemic was to ensure that no one was forgotten. She says: 'We're the closest thing many people have to a family. So, our workers kept in regular contact with people by phone and in other ways to ensure they had everything they needed. A grant from the Morrisons Foundation enabled us to donate phones to people who didn't have them, so that we could get in touch easily.'

A CARING FRIEND FOR OLDER PEOPLE

We believe it's important that later life should be a rich and fulfilling time. Locally we organise a wide range of services for older people, including day centres, lunch clubs and home visiting schemes - and although some of these were not able to continue during the lockdown, we found alternative ways of keeping in touch with older people who were alone and isolated, such as making regular phone calls and delivering essential supplies.

■ **Meals and friendship.** Louth in Lincolnshire is one of many areas where we made every effort to keep in touch with older people who were affected by the pandemic. With our twice-weekly luncheon club no longer able to meet during lockdown, more than 125 two-course lunches were prepared and distributed by a team of staff and volunteers each week. The outreach was in partnership with the Lighthouse drop-in centre at Louth Methodist Church, with which the local Salvation Army has a close relationship.

■ **A message of love.** All over the UK, The Salvation Army worked hard during the pandemic to support isolated and vulnerable people. That work mainly took the form of delivering essential supplies to older and disabled people and phoning them regularly in a spirit of friendship. But in Ballymoney, in Northern Ireland, we went one step further - putting some heart (quite literally) into our work.

Local volunteers made knitted 'Hearts of Hope' and delivered them, along with an uplifting verse of Scripture, to all the people we support through our befriending service. Lieutenant Tim, who with his wife Marie leads the local Salvation Army, says: 'We knew many people who were lonely, self-isolating or grieving for loved ones. Hearts of Hope have been a way to let people know that we are thinking about them. Alongside the practical things we are doing to support vulnerable people, they're a message of love at a difficult time.'

■ **Singing with joy.** The Salvation Army in Wrexham have helped people with dementia by hosting virtual singing sessions throughout the pandemic. Like many Salvation Army churches, our church in Wrexham runs a range of dementia-friendly activities, including our monthly Singing By Heart. This had to close during the lockdown, but we decided to continue supporting these vulnerable people by delivering the sessions online.

Karen, our community manager in Wrexham, says: 'The people who used to attend our sessions really missed them when they closed. So, we applied for grants to buy new equipment, so we could take Singing By Heart into local care homes. The songs definitely ignite memories for people, which they love to share. It's wonderful that our centre is once again filled with joy and laughter.'

WALKING THE EXTRA MILE WITH CHILDREN AND YOUNG PEOPLE

Developing ways of working with and supporting children, families and young people was a real challenge during the pandemic, but as the examples below illustrate, we innovated and adapted. The Salvation Army believes that every child should have the very best chance to develop their abilities and make the most of their lives. Yet there are all kinds of factors, such as family breakdown, poverty, drugs, gang crime and a lack of opportunities that can wreck young people's futures. That is why we aim to provide safe environments, positive activities and good quality learning experiences for children from challenging backgrounds.

■ **Children's activity packs.** Whitleigh in Plymouth is one of many church communities where we delivered activity packs to vulnerable families to keep the children busy during the lockdown. Each pack included a craft activity, a small toy, a drink, a copy of our children's magazine Kids Alive! and a challenge to create something artistic. The packs were very popular and enabled us to reach out to new families in the area.

■ **Side by side.** It's becoming clear that children and young people are likely to feel the consequences of the pandemic for many years - potentially their whole lives. As The Guardian expressed it in a headline on 29 January 2021: 'Behind closed bedroom doors, a teenage mental health crisis is brewing.'

Now The Salvation Army is considering how we can help and support young people as they face this challenge. One of the answers we have come up with is a new initiative called Side-by-Side. It's a befriending model in which a committed and consistent adult befriender from outside the family will meet regularly with a young person for a short walk and a talk. There is no agenda. Young people may wish to talk about how they are feeling and what is happening in their lives - or they may not.

One youth worker described **Side-by-Side** like this. 'Last Saturday I met up with a young person from my youth group and we walked and talked. We talked about the experience of lockdown and home learning. But we also spoke about films, sports, birthday parties and past youth group socials. That brought a smile, laughter and much-needed distraction and gave so much joy to both of us.'

■ **Friends together in lockdown.** The Salvation Army's youth clubs play a big part in the lives of many young people, especially those from disadvantaged backgrounds. So, when the clubs had to close because of lockdown, we knew we had to come up with new ways to occupy their leisure time, develop their abilities and stretch their imaginations.

We involved young people in voluntary work, delivering shopping and baking treats for older people in their community. We organised online games, and Netflix parties where young people could watch a film together and discuss it from their own home. We also held lockdown 'pizza parties' for our youth club members - delivering pizzas to their doors which they could eat while chatting with their friends via Zoom.

Karac Boldick, who organised some of these activities for our Aston 614 club in Birmingham, says: ‘We didn’t want our work with young people to stop - and thankfully we found lots of wonderful ways to help them connect with their friends and enjoy new experiences together.’

■ **Summer schools.** Due to the pandemic, our divisional summer schools for young people moved online in 2020, with young people gathering together virtually for fun and discipleship. Hertfordshire and Essex Division’s summer school is a good example of how we brought wonderful opportunities for activity, friendship and worship to young people despite the lockdown.

Each day, videos posted on social media channels retold the story of the Good Samaritan, which helped young delegates to look at different aspects of the parable around themes of Kindness, Diversity, Support and Worth. Daily activities supported these themes, including games, crafts and fun lunches as well as Zoom ‘campfire’ sessions in the evenings. All in all, a lively and uplifting week for the enthusiastic youngsters who took part.

MAKING CHRISTMAS TRULY JOYFUL

Last Christmas was a difficult time for many people. Many families were barely able to afford to buy the necessities, let alone treats or presents for the children. Many older people were isolated and unable to be with family and friends. That is why The Salvation Army worked harder than ever to make sure that as many people as possible could share in the joy of Christmas.

■ **Toy appeal.** Once again, The Salvation Army teamed up with The Entertainer, the UK’s largest high street toy retailer, to deliver presents to children who needed them most. The Big Toy Appeal asked customers to buy a toy online or in-store and donate it to a family in need at Christmas. For every toy donated, The Entertainer donated a toy. This was the appeal’s third year, with well over 60,000 toys and books being donated.

■ **TV show highlights Christmas appeal.** The crucial work of The Salvation Army in Glasgow at Christmas was featured on the BBC’s The One Show in December. The programme highlighted the Christmas Present Appeal, which brings joy and hope to children who might otherwise miss out on opening a present. Local Salvation Army leaders Majors Mark and Tracy Bearcroft told viewers that, because of the effects of coronavirus, demand for toys had almost doubled compared with 2019. Viewers were also introduced to the team who were sorting and delivering thousands of presents and found out how they could donate a gift or make a financial contribution towards The Salvation Army’s work.

■ **Northern Ireland Christmas Family Appeal.** Once again in 2020, The Salvation Army and St Vincent de Paul launched their Christmas Charity Appeal. The appeal has been helping struggling families celebrate Christmas for 40 years and the latest appeal was aimed at helping those families in our communities who were facing particularly difficult choices.

The appeal offered hope to many parents and carers who were hard-pressed to afford even the basics of heat and light, let alone to put presents under the tree.

■ **Toys and tins.** The Salvation Army in Norfolk always organises a Toy and Tins Appeal, encouraging members of the public to donate goods for children who might otherwise go without at Christmas. But last Christmas the need was greater than ever, with a 27 per cent increase in referrals.

Happily, local people - families, workplaces, faith groups and community leaders - came to the rescue by responding to the appeal with particular generosity. More than £14,000 was donated through JustGiving, which enabled volunteers to sort, pack and deliver approximately 19,000 gifts. Thanks to their efforts, more than 6,700 vulnerable people across Norfolk, including more than 3,800 children, had presents to open on Christmas Day.

■ **Food and good cheer at Christmas.** The Salvation Army in Abertillery, Wales, worked hard to make Christmas special for vulnerable people, including low-income families. 100 food parcels were made up, including the Christmas edition of the War Cry, for distribution by social services. The local Salvationists also received a generous response from local people to their toy appeal, with donated toys also being distributed by social services.

CHALLENGING DISABILITY

To us in The Salvation Army, every human being is precious and unique. Each deserves the opportunity to develop their talents, to make a positive contribution to society and to live a full, rewarding life. Yet for many people with learning difficulties in the UK, their opportunities in life are frustratingly limited. That's why we are actively involved in helping them to overcome the barriers they face - and why we invest in facilities and training programmes that give them the opportunities they need.

■ **Enabled members come together at Christmas.** Building on the success of the Enabled Summer School at Home, The Salvation Army held a new event called Enabled at Christmas. Overcoming isolation and loneliness was a key aim throughout the pandemic, so the idea was to offer Enabled members a variety of activities to replace cancelled Christmas events. Hosted using Facebook Live and YouTube, nearly 200 people participated in a weekend programme packed with music, Godly Play, poetry, fitness, lively worship, crafts and more.

The sessions received more than 6,000 views and members shared photos and clips on Facebook and WhatsApp. Sandra Atkinson from Gateshead was one of many who took part in Enabled at Christmas and really loved it. She wrote: 'I had a fabulous weekend. Every video and live session cheered me up and helped to make Christmas really special.'

READY IN A CRISIS

Our Emergency Response teams have had one of their busiest years. As usual our emergency vehicles attended call-outs to incidents such as fires and accidents - but we also supported the civil authorities in their response to the pandemic.

■ **Family support.** The first pandemic-related call for help took place when we were asked, along with colleagues from the Red Cross, to establish a friends and family support centre in the Wirral, for people whose loved ones were being isolated after being repatriated from China.

■ **Forest fire.** In May 2020, when forest fires near Wareham in Dorset put lives, property and the environment at risk, The Salvation Army was asked to provide food and support to more than 140 firefighters, as well as personnel from the Forestry Commission, wildlife experts and the police. The demand was so great that a whole day's food supplies were used up within two hours and extra supplies had to be sent for.

As the fires came under control, we were able to ease the stress on on-site staff and raise their spirits by chatting with them in a comforting and good-humoured way. Many posted thank-you messages on Facebook or shouted 'thank you' when their shifts came to an end.

■ **Helping flood victims.** In February 2021, The Salvation Army provided support to the emergency services as they helped flood victims in the wake of Storm Christoph. The worst-hit areas were South Wales, Greater Manchester and South Yorkshire.

In Skewen, South Wales, about 100 households were evacuated, as well as a residential nursing home. As well as serving food and drink to the emergency teams, The Salvation Army distributed essential items like food, clothing and cleaning products to displaced residents. In Doncaster, South Yorkshire, our Salvation Army hall was on standby to provide emergency shelter for people evacuated from their homes. Meanwhile in Didsbury, Greater Manchester, volunteers from the Sale Salvation Army spent six hours feeding around 100 fire, police and ambulance personnel.

SPEAKING UP FOR JUSTICE AND SEEKING RECONCILIATION

The last year has seen The Salvation Army speaking on many areas of policy, especially to highlight the impact of the pandemic on the communities and individuals that were hit the hardest by the economic and social impact. The Lord's Prayer says: 'Your will be done, on earth as it is in heaven' - and part of our calling is to bring about a more compassionate and socially just world. Challenging injustice and seeking reconciliation are therefore key priorities for The Salvation Army.

■ **A guiding light for our times.** In 1890 The Salvation Army's Founder William Booth wrote *In Darkest England* in which he described the social problems of the time and his own blueprint for tackling poverty and social exclusion. Now The Salvation Army has published a new book *In Darkest England: 130 Years On* showing how Booth's principles are still relevant today.

Lieut-Colonel Dean Pallant, Secretary for Communications for The Salvation Army in the UK and Ireland, says: 'The challenges people were facing in the late 19th Century are not too different from those people are experiencing today. Pandemic Britain is concerned about rising unemployment, debt, alcohol abuse, modern forms of slavery, a lack of affordable housing and people still living on the streets. Booth's solutions are, 130 years on, still relevant and, more importantly, we know they work.'

■ **The Salvation Army warns of a poverty crisis.** Even before the pandemic, The Salvation Army was warning of a poverty crisis, as the number of people living in poverty increased. Then, when the lockdown began, and many people lost their jobs and income, the number of people claiming Universal Credit grew sharply. Yet at the time there was a five-week wait before claimants receive their first payment - and we knew that a quarter of UK households had no savings. We therefore urged the Government to rethink the waiting period, which was leaving many families and young people in desperate poverty. We called for advance payment loans to be replaced by grants. We also urged the Government to retain the temporary £20 uplift to Universal Credit.

■ **Speaking up for rough sleepers.** We warmly welcomed the Government's interim housing plan, which provided £105 million towards interim housing for rough sleepers during the pandemic. However, we warned that this assistance was only due to last for 12 months and could not solve the problem of rough sleeping permanently. We urged the Government to do more in the longer term to bring rough sleepers in from the streets.

During the worst of the pandemic, the number of rough sleepers fell, as the Government's Everybody In initiative helped to move them into temporary accommodation. However, The Salvation Army warned that the UK still faced a longer-term crisis. Our director of Homelessness Services Lorrita Johnson said: 'Getting everybody in is only part of the solution. People need support to overcome the reasons why they ended up rough sleeping in the first place. Without sustained support, our experience tells us that these vulnerable people may end up back on the streets.'

We published our own report entitled Future-proof the Roof setting out what we believed needed to be done to reduce homelessness. The proposals included improving data collection to assess the number of people rough sleeping and their needs, as National Audit research has shown that the Government underestimated the number of people needing temporary accommodation in the first lockdown. It also included sustained investment to build on the progress made during the pandemic; and providing a steady supply of suitable homes.

■ **Speaking up for vulnerable jobseekers.** The Salvation Army welcomed the Government's pledge to double the number of work coaches in jobcentres and offer more support for under-25s. However, we also warned that vulnerable jobseekers, such as those who lack computer skills or have mental health problems, could be locked out of the job market for years. We called for funding through the UK Shared Prosperity Fund to address the problem. The scheme is the Government's post-Brexit replacement for EU funding that supported the most deprived communities in the UK.

■ **Defending refugees.** Asylum seekers and refugees attract unwarranted criticism in some quarters. But as Christians we believe they have the right to be treated with dignity and humanity. We know that many have had no choice but to make a dangerous journey to seek safety from conflicts, persecution and violence.

We joined other churches to call on the Government to stop housing asylum seekers in military barracks but to find more suitable accommodation for them. We also joined with the Lift the Ban coalition of organisations in urging the Government to allow people seeking refugee status to have the right to work.

During the year, we welcomed the support of asylum seekers and refugees who volunteered to assist with our coronavirus response work. Many of them rolled their sleeves up to pack essential food parcels or cook meals for people who were going hungry.

■ **An inclusive church.** In the past year, The Salvation Army issued strong statements against discrimination on grounds of sexual orientation or gender identity, race, religion and ethnicity. In the words of our inclusion statement, The Salvation Army 'aims to be a church where everyone is welcome'.

LOOKING FORWARD AS A MOVEMENT:

2020/2021 was a year which was quite unlike any other. An immense amount of change happened in a short space of time, and The Salvation Army is committed that learning from this as a church and charity in the UK is paramount. This experience must positively influence how we move forward and how we seek to deliver against our charitable objects. Because our strategy for the Salvation Army Trust is to remain responsive and to resource, enable and encourage our 'frontline' of over 620 corps and centres to engage with the local community and support the needs that are most pressing or the needs that most need meeting, we do not have a prescriptive organisational plan. Our plan is to ensure our local presence can flourish, be as effective as it can, be as transformational as it can and help deliver our vision of 'Fullness of Life for All with Jesus'. What we can be certain of is our ongoing commitment to this vision and to ensure we are active and present where we are needed.

A significant piece of research was conducted to review how we responded as a church to the pandemic and what we can learn from it and we are committed to implementing many of the learnings.

We learned a lot from using digital media to create a sense of community and belonging, as congregations. We saw the immense impact this can have and how it enables us to reach so many people in new ways. However, as our congregations once again resume active worship, we need to ensure that digital media are an additional tool to facilitate activities and grow new forms of engagement alongside more traditional forms of activities.

On a wider front we have seen how digital media can enable different forms of service delivery, how they can help reduce travel and add immense accessibility and efficiency to our day-to-day work. Learning from this is already shaping our approach to the use of buildings and office spaces, ways of working, and development and delivery of training and resources.

We will continue to ensure our frontline operations at corps and centres receive the funding they need to meet local needs and that there is a constant spirit of innovation, learning and cross-fertilisation of ideas.

We are committed to reviewing our structures and processes to ensure we have the most effective and efficient support mechanisms to enable our frontline to flourish and that resources are applied where they are most needed.

We will continue to speak out on issues that impact positively or unhelpfully on the people in the communities we serve and to ensure those without a strong voice are heard as government policies are shaped.

We are excited about the future, and we commit to challenge ourselves constantly at local level to ensure we are identifying the areas of community work and ministry that is needed and to which we can add the most value. Many people see us as the understanding and responsive heart of the community, and that is what we intend always to be. Agile and responsive, wise and understanding, strong and principled, focused on enabling fullness of life for all, with Jesus.

OUR APPROACH TO FUNDRAISING

Context:

The Salvation Army Trust, which is the charity registration through which our church and community-based operations are run, relies very heavily on income generated by fundraising to keep its diverse services alive and operating across the UK.

We meet the constant challenge of raising these funds in different ways:

- Local Salvation Army corps (churches) and community centres are expected to actively fundraise within their church membership and within their wider community to support their community programmes.
- Salvation Army church members give generously as part of their personal commitment to God, to their corps and to the wider Salvation Army.
- In addition, there is a centrally coordinated fundraising operation which manages the disciplines of national fundraising programmes and provides additional resources and support to corps-based fundraising and provides support to members of the public who want to raise funds for The Salvation Army. Principal activities of this are commented on below.
- We also actively, but extremely sensitively, ask members and supporters to consider including The Salvation Army in their Will.

Fundraising for the financial year 2020/2021 was influenced by the pandemic and the ways in which we responded are illustrated below.

Relationship between The Salvation Army Trust and The Salvation Army Social Work Trust

Fundraising for The Salvation Army's overall work across both its charitable trusts is carried out under the registration of The Salvation Army Trust and therefore fundraising activity, income and expenditure is accounted for in this Report.

The Salvation Army Social Work Trust funds our centrally managed residential services for homeless and older people, as well as other centrally co-ordinated programmes such as our modern slavery services, Employment Plus service, and programmes for people with addictions and disabilities. Almost all government funding is accounted for in The Salvation Army Social Work Trust which has a separate charity registration and consequently a separate set of Report and Accounts which form a 'sister' publication to this. They are filed under registration 215174/SC037691

A proportion of fundraised income is granted to The Salvation Army Social Work Trust each year as part of the planned budgeting process. Our fundraising appeals to the public feature the work of The Salvation Army across both trusts so there is absolute transparency that the funds donated go to support the work we illustrate in public appeals.

Corps-based (church) giving and local fundraising:

The UK Salvation Army has 621 corps and community centres across the UK. Each corps or centre will develop programmes and services that are geared to meeting the needs of the people in the community, so there is huge diversity across the UK. Each local Salvation Army centre is expected to find ways to raise funds to support their local work as much as it can. This is achieved in several ways.

Church membership giving totalled £16.3 million in the year ended 31 March 2021, a decrease of £2.6m from 2019/20, mainly as a result of the suspension of congregational worship and opportunity to give during services. Nevertheless, it is a substantial offering and this income from church members helps to sustain the local life of The Salvation Army as a church and meet as much of the operating overhead as it can.

Despite the suspension of many months of congregational worship because of COVID, members continued their giving in a spirit of generosity. During the peak of the pandemic, Salvation Army leadership encouraged members to consider a spirit of increased giving, and we saw examples of truly sacrificial giving by our members and officers of The Salvation Army to help meet the increased costs of providing care.

In addition, **local fundraising** delivered approximately an additional £10m which helps fund the practical support that is needed in the communities that The Salvation Army serves, examples of which are described in the narrative of this Report. Christmas carolling in town centres and street collecting are two of the familiar ways in which corps raise funds. The onset of coronavirus put a stop to most public fundraising, but many corps turned to digital ways of fundraising early in the pandemic and using tools such as JustGiving were able to continue to raise funds for local coronavirus impact relief work, such as food parcels.

Salvation Army church membership also actively engage in two main annual fundraising drives, the **Self-Denial Appeal** and the **Big Collection**.

The annual **Self-Denial Appeal** in February and March 2021 helps fund Salvation Army work in overseas territories. In 2021, the appeal raised just over £1.24 million, £200,000 increase on the 2020 appeal.

The Salvation Army **Big Collection** is an annual public campaign in September, whereby church membership actively raises funds to support our Social Work Trust, supporting programmes for people experiencing homelessness, older people, and people needing help with addictions. Against a total of £1.28 million raised in September 2019, in 2020 we raised a total of £783k. Public Fundraising was not allowed due to the pandemic, but income was still 62% on the previous year.

National Fundraising:

Our centrally co-ordinated fundraising programme sensitively deploys many disciplines of fundraising in order to generate income for the work of The Salvation Army. Because the proportion of our donated income that derives from direct debits and regular giving schemes is small at around 10 per cent of cash donations, the donations and legacies that are received during the financial year are the ongoing lifeblood of our organisation.

The funds raised from national fundraising programmes go directly in the form of grants and mission support funding to enable corps to work within their communities where there are insufficient funds locally. Funds raised also help meet the cost of refurbishing our buildings and emergency repairs to ensure they are compliant and fit for the delivery of community programmes. Funds raised will also form the annual grant across to The Salvation Army Social Work Trust to provide additional services for our work with people who are homeless, older people and people with addictions.

Appeals to the public

In 2020/21 we saw incredible generosity. We received a total of £79.9m in donations from the public, an increase of £21.6m over 2019/20. As noted above, approximately £10m was raised locally by individual Salvation Army corps, and the remainder, approximately £69m, was secured by national and centrally co-ordinated fundraising activities, summarised below. Furthermore, we received a total of £48.4m in legacies.

As the pandemic began, there was concern how levels of donations could be affected, but we were over-whelmed with the out-pouring of generosity from supporters and the public. Total public and supporter donations in response to our national appeals programme for 2020/21 was £66.9m, an increase of £24.9m over 2019/20. This total includes regular giving and Gift Aid income.

In March, we launched a Covid appeal in response to the increasing demand seen at local level, particularly for food provision. This extra appeal ran from March-June raising £3.6m in additional income. All appeals to our supporters raised significantly more than expected, and the Christmas appeal raised a record-breaking £28.7m which was £7.8m up on the 2019 Christmas appeal.

The Salvation Army would want to put on record here its sincere appreciation of the support that our donors and the public have given during such an uncertain and unprecedented year.

Legacies: We are deeply grateful to those people who remember us in their Will with a bequest. This is a hugely important income stream in support of our work and protecting and sensitively encouraging this income is an important task.

We received a total of £48.4m in legacies during 2020/21, a decrease of £4.6m compared with legacy receipts in 2019/20. Tracking indicates that around 67 per cent of our legacies comes from our appeal to supporters and approaching these supporters and the public with a sensitive suggestion to consider leaving a gift in their Will is an important part of protecting the future of this very important income pipeline.

At the start of the pandemic, we took the decision to suspend legacy promotion not believing it was the right time to promote this way of giving. As lockdown eased, we wrote to our supporters in August asking them to consider leaving us a gift in their Will which resulted in significant response. We also began a partnership with Bequeathed, an online free Will-writing service, and promoted this opportunity to supporters and the public through Facebook advertising. We have seen enquiries increase over the year, and we take a sensitive and a strong personal approach to enquiry handling and stewardship.

Grant-making trusts and foundations

Grant-making foundations and charitable trusts make an important contribution to revenue and capital costs for many of our projects. We would like to extend our sincere thanks for their support. During 2020/21 we received over £4 million from charitable trusts and foundations in support of 280 Salvation Army projects across the UK and internationally. Grants from charitable trusts and foundations have contributed to the running costs of our pandemic response work including our foodbanks, employment services and debt advice services.

For example, with support from charitable trusts and foundations, The Salvation Army in Penrith has opened 'The Nourished Project', a new hub to provide food, baby products and other essential items, plus spiritual and emotional support, for the community. The 'Nourished Project' aims to nourish people practically by providing necessities from a new purpose-built area and spiritually by offering visitors a listening ear. People will also be signposted to other services on offer at the church and charity, such as the toddler play and stay sessions, happy to chat café and activities mornings.

Grants have also contributed towards costs of refurbishing or creating new centres and the salaries of project staff. As an example, support from charitable trusts and foundations have enabled work to begin on the Greenock Garage project in Greenock, Scotland; a renovation and extension to the existing corps building to provide a much-enhanced community hub. The new community hub offers a range of care and support services and an expanded shop area to meet the increased needs of individuals and families in the local areas.

Corporate giving

Our corporate partners have grown in number and depth over this year. The existing and new strategic corporate partnerships across the UK include The Entertainer with their Big Toy Appeal which in 2020/2021 saw over 32,000 new toys and books donated at Christmas and Pickfords who have chosen The Salvation Army as their charity of the year. We hope to see over 1 million Pickfords moving boxes promoting The Salvation Army. Our partnership with Anglo American continues with their support including their executive team volunteering at our Cambria House Lifehouse as well as supporting our work combatting Modern Slavery. Other new partnerships include Clearly Drinks, supporting employment Plus and Howdens through the national network of 140 depots.

We had a very generous response from corporates to our Covid appeal, including a donation from Barclays bank of £100,000 and executives at another partner sacrificing 30% of their salary to support The Salvation Army's Covid response.

Other fundraising

We continued to develop relationships with people who wanted to 'do something' to raise funds for The Salvation Army, especially in support of our pandemic response. We explored ways of supporting corps with their locally based fundraising and we benefited from the increased contributions from individuals who participated in the covid-adapted sporting challenges and individuals who fundraised in their own way in order to support us. Much of their contribution is channelled locally, but we would want their combined support to be recognised as it generates significant income.

Our Fundraising Approach

The ethos of our approach is that fundraising activities must reflect our values and should be carried out in a manner that the public and our supporters and funders would expect of The Salvation Army - sensitive, courteous, sincere and genuine.

During the year in review, we offered the public additional opportunities to support The Salvation Army by launching a fundraising campaign to meet the additional costs of the services we were delivering and to help keep our operations going at a time, for example that we were not receiving income from our charity shops.

We have an active fundraising presence in digital media and on our website and we regularly review our Privacy Notices and Privacy Statements to ensure we operate in compliance with GDPR.

We do not use professional fundraising agencies such as outbound telemarketing agencies or face-to-face/street fundraising agencies to fundraise on our behalf. Our public, street and house-to-house cash-collection fundraising operations are normally carried out by members and volunteers drawn from and connected with our congregations. Much of these were suspended because of COVID restrictions and this was another reason for increasing our public COVID appeal.

We do use a bureau to handle some inbound telephone donations in peak periods and to call back people who have texted us or otherwise contacted us in order to donate when we cannot handle such calls in-house by our own staff. This is usually only at Christmas when call volumes are high. Call handling is monitored, and we set high standards for the way callers are spoken to.

The term 'professional fundraiser' also encompasses individuals who participate in some challenge and mass participation fundraising events. These relationships are managed centrally with due diligence as to clarity and transparency in terms of an agreement between The Salvation Army and the participant who is fundraising for us. Advice is provided regarding the correct solicitation statements that the fundraiser should use when asking for sponsorship or donations.

Fundraising Standards

We subscribe by annual levy to the Fundraising Regulator and thereby work to the standards of the Code of Fundraising Practice.

We are not aware of any failures to comply with the standards set by other regulatory bodies. We are members of the DMA - the Data and Marketing Association - and as members we are expected to uphold the highest levels of compliance and standards. We are corporate members of the Institute of Fundraising and fundraising managers are individual members.

Fundraising on our behalf

Where people or organisations offer to fundraise on behalf of The Salvation Army, we aim to ensure that a contract or agreement is in place and that the relationship, performance and delivery is overseen either locally or centrally.

Monitoring of Fundraising

During this year under review, we updated and strengthened our internal processes and policies to ensure we have the highest ethical standards in accepting donations.

Salvation Army officers and corps treasurers will monitor fundraising carried out locally by members of the local congregation and by volunteers. Any donation in excess of £5,000 is reviewed and assessed by headquarters. Centrally we have a briefing and monitoring programme to assess the performance of our telephone bureau handling inbound donation calls and to ensure the quality of the calls meets our standards for sensitivity and kindness.

Trustees are briefed on the requirements of CC20 and how these requirements are being met as part of their duties in relation to fundraising.

Complaints

In the financial year under review, The Salvation Army received 136 complaints about our fundraising compared with a total of 83 complaints in 2019/2020. Of the total 136 complaints, 32 were referred to our Trading Company regarding charity bag collections.

During the 2020/2021 financial year we significantly increased our fundraising activities to enable us to meet the increased demand for our services during the pandemic. While we always strive to minimise the number of complaints we receive, when viewed against the national extent of our fundraising appeals programme, this is a comparatively low figure for the sector and reflects the degree to which we have developed a fundraising programme that is as sensitive and respectful as possible.

Any complaints we receive are handled in accordance with our Complaints Policy, which is based on the recommended standards set by the Fundraising Regulator. Our Policy is accessible on our website.

Protecting People in Vulnerable Circumstances

Within our fundraising ethos, we take the protection of people in vulnerable circumstances very seriously. As a church and charity working locally and nationally with some of the most vulnerable and marginalised people in communities across the UK, and with a brand that is synonymous with kindness, sensitivity, sympathy, deep understanding and tolerance, we aim to fundraise in the most sensitive ways we can and take appropriate action briskly when we are made aware of vulnerabilities. We have a specific policy created in collaboration with our fundraising, supporter care and compliance teams to ensure we treat all our donors fairly, sensitively and respectfully. Because we do not use external or 'professional fundraisers' to fundraise on our behalf, we are very much in control of how fundraising appeals are carried out.

Our supporters and the charitable giving public generally make an essential, vital contribution to the life and work of The Salvation Army. The relationship we have with our supporters is precious to us. Therefore, the intentional spirit of our fundraising is based on what we feel it is fair, ethical and appropriate to ask for. Our behavioural values of integrity, accountability, compassion and respect are not only at the heart of our mission as a church and charity but are also the driving forces for the way in which we fundraise.

TERRITORIAL HEADQUARTERS RELOCATION PROJECT

The new Territorial Headquarters building at Denmark Hill resumed procurement activity earlier this year, and construction of the new building started in early August 2021. Construction is on a 2-year programme for completion and occupation from late summer 2023. The building is being constructed externally as originally designed in order to maintain the existing Planning Approval. The interiors are being re-planned to take account of agile/'hybrid' working and reduced daily attendance at the new THQ in comparison to the previous THQ prior to lockdown.

MODERN SLAVERY AND ANTI HUMAN TRAFFICKING STATEMENT

As the Salvation Army in the United Kingdom and Ireland Territory we hold a zero-tolerance stance on acts of modern slavery and human trafficking and on any breach of our Ethical Policy and will not condone any such action by our contractors, suppliers or consultants. We take this issue very seriously and are committed to preventing acts of modern slavery and human trafficking from occurring within our supply chain. Our Procurement Ethical Policy is integral to all supplier contracts and sets out the overall standards surrounding human rights, child labour, discrimination, corruption, bribery or other financial impropriety, legal compliance and ethical conduct with which our suppliers must comply.

A Supplier Ethical Declaration is referenced in the standard purchase terms and conditions of The Salvation Army and compliance is a contractual requirement for all suppliers operating under these standard terms and conditions. In addition, all suppliers and contractors submitting tender responses must confirm their agreement and acceptance of the terms and conditions and sign the ethical declaration and apply these standards to their own supply chains.

Our Procurement Unit continually reviews its supply base, examining suppliers in those areas that represent the highest risk of modern slavery, particularly in spend areas relating to temporary labour, cleaning, catering, linen, branded goods and building services. Where possible trade and industry best practice standards are used as the benchmark and the Salvation Army has adopted the use of Constructionline for tendering and selecting building suppliers.

Due to the importance of training and education in the fight against modern slavery, the Procurement Unit has partnered with Stronger Together to deliver training to members of its team on identifying potential victims of modern slavery. All members of the Procurement team complete the Chartered Institute of Purchasing and Supply ethical procurement assessment annually.

The Procurement team holds regular Helping the Salvation Army Buy Better training seminars for stakeholders where ethical supply chain issues are covered. The Procurement team has also hosted a supplier conference with a specific focus on providing education on combating supply chain labour abuses. The commitment to ensuring ethical supply chain standards is also embedded in the recently adopted Salvation Army Fiscal Stewardship Principles and the Procurement Unit will be asked to report against these standards regularly.

REVIEWING FINANCES

The Accounts have been prepared in accordance with the Charities SORP and Financial Reporting Standard (FRS 102).

Our main sources of income are as follows:

	2021 £m	2020 £m
Legacies	48.4	53.0
Donations from the public	79.9	58.3
Donations from members	16.3	19.0
Grants	16.5	2.5
Trading income	58.6	91.2
Investment income	2.8	5.2
Other income	15.5	11.6
	238.0	240.8

Voluntary income

Voluntary income (including legacies, donations and grants from trusts and foundations) represents 68% of our total income and we continue to be deeply and sincerely grateful to the individuals who have remembered us in their wills, which is a crucially important, sustaining income stream. Donations from members represent the weekly or planned giving by soldiers and other members of The Salvation Army to their local Salvation Army corps (church).

Grant income increased dramatically in 2021 as a result of £9.9 million from COVID grants.

Trading income

Trading income comprises:

- Corps trading activities, mainly charity shops (£3.3 million). Net trading expenditure is £1.3 million, compared with net trading income of £6.7 million in 2020.
- Income of trading subsidiaries: The Salvation Army General Insurance Corporation (£19.4 million) and The Salvation Army Trading Company (£35.9 million). There has been a decrease in net trading income to a deficit of -£9.0m from a surplus of £2.5m:

Expenditure has decreased from £235.5 million to £199.2 million.

	2021 £m	2020 £m
Cost of raising donations and legacies	13.4	12.0
Cost of trading activities	68.8	82.1
Total cost of raising funds	82.3	94.1
Charitable activities:		
Church and evangelism programmes	39.2	48.7
Community programmes	49.1	62.8
International programmes	6.3	5.9
Training programmes	4.6	5.3
Youth and young people's programmes	1.8	2.7
Grant to Social Work Trust	16.0	16.0
Total charitable activities	117.0	141.4
Total expenditure	199.2	235.5

Costs of raising donations and legacies

This represents the costs of our central Fundraising Department and the cost of our appeals and other costs associated with raising funds.

Church and Evangelism Programmes

This represents Christian worship and the teaching and promotion of the Christian message at our corps, regionally and nationally.

Community Programmes

Programmes organised by our corps to meet the needs of their local community are increasing in scale and diversity, and are described elsewhere in this report.

International Programmes

This represents grants to The Salvation Army International Trust, overseas projects funded by the UK Territory and the costs of the International Development Unit.

Training Programmes

This represents the costs of William Booth College which trains people to become Salvation Army officers and runs education and learning programmes for employees and officers.

Youth and Young People's Programmes

This represents national programmes including The Salvation Army's work with young people and young adults.

Grant to The Salvation Army Social Work Trust

This represents the financial support provided to our social programmes for those in need. This includes work with the homeless, older people, unemployed people and victims of human trafficking.

Net income (2020: expenditure), which includes gains on investments of £36.5 million (2020: £14.4 million loss), was £75.3 million (2020: £9.1 million expenditure). The gain on investments is a book gain only (2020:loss).

Total funds as at the year end were as follows:

	2021 £m	2020 £m
Endowment funds	17.6	14.6
Restricted funds:		
Property fund	332.0	321.4
Corps funds	50.2	48.2
Legacy reserves	73.6	77.0
Trust funds	2.4	2.1
Specific donations	10.5	9.2
	468.7	457.9
Unrestricted funds:		
Non-charitable trading funds	19.6	21.7
Designated funds	158.5	115.5
General reserve	42.1	21.5
	220.2	158.7
Total funds	706.5	631.2

Endowment Funds

Only the income arising on these funds is available for expenditure.

Restricted Funds

The property fund represents property assets owned by The Salvation Army for operational purposes and hence is not available for expenditure.

Corps funds represents funds generated by corps. These are restricted for use in their local area.

Other restricted reserves represent funds given by donors for specific purposes.

Unrestricted Funds

Non-charitable trading funds are profits retained in the subsidiary companies to provide working capital for their trading operations.

Designated funds are set aside by the directors for specific purposes, principally the acquisition of officers' quarters and major maintenance work on the property portfolio. Salvation Army officers (active and retired) are provided with accommodation. Funds have been set aside to enable the purchase of suitable properties as they are required. Funds have also been set aside to fund the work required on corps properties as part of our continuing planned maintenance rolling five-year programme. Funds are also designated to finance new Mission initiatives, contribute to Officers and Employees Pension Funds, fund Field Service Training and various approved standalone programmes. All designated reserves are reviewed annually for obsolescence with surpluses being transferred back to General reserves.

RESERVES POLICY

Our reserves policy focuses on the level of general reserves.

We rely on donations, legacies and grants to fund our activities. These can be uncertain and fluctuate from year to year. They represented 68 per cent of our total income for the year ended 31 March 2021. We need reserves to ensure that the operation of our church and community programmes can continue in the event of fluctuations in voluntary income and unexpected expenditure. We also want to be able to provide for the new and innovative opportunities that may appear to further the mission of The Salvation Army Trust.

The Directors have reviewed the reserves policy taking into account the risks and uncertainties faced by the Charity. Based on this review, a target range of £29.9m to £49.2m was set for free reserves.

As at 31 March 2021 the charity had general reserves of £42.1 million which is within the target range.

INVESTING FOR THE FUTURE

The charity holds its investments in The Salvation Army Common Investment Funds. These funds were set up under Schedule 2 of The Salvation Army Act 1980 to act as common investment schemes for certain Salvation Army Trusts.

The Salvation Army Common Investment Fund (No 1) consists of permanent endowments which are restricted by the wishes of the donor. In most cases the income is to be used for restricted purposes. The Salvation Army Common Investment Fund (No 2) is operated for those Salvation Army Trusts without permanent endowments. Both funds are managed by The Salvation Army Trustee Company. Cazenove Capital Management manages CIF1 and 50 per cent of CIF2, whilst Sarasin & Partners LLP manage 50 per cent of CIF2.

The funds are subject to The Salvation Army Act 1980 and the following guidelines: the principal aim is to invest in a manner consistent with the promotion of the objects of The Salvation Army

- investments should be made on longer-term considerations rather than in the pursuit of short-term gains
- investments may be held in stocks, shares, debentures and other securities quoted on a recognised stock exchange, in government, municipal and public utility stocks and in bank deposit accounts
- investments may be made in collective investment schemes, including those holding real estate assets
- no direct investment may be made in unquoted securities in the UK or overseas
- there will be no investment in companies which derive a material amount of their revenues (% indicated) from the following activities:
 - the production of alcohol (5%)
 - the sale, together with any production, of alcohol (10%)
 - the production of tobacco (5%)
 - the sale, together with any production, of tobacco (10%)
 - the manufacture of whole weapons, weapon platforms and weapon systems (no minimum limit)
 - the manufacture or sale of strategic parts for weapons systems (10%)
 - the business of gambling or providing access to such businesses (5%)
 - the production of adult entertainment services or providing access to such services (1%)
 - the publication or wholesale of pornographic magazines or newspapers (1%)

- Investment managers are expected to exclude companies whose activities might reasonably be expected to increase poverty or act against the relief of poverty. The investment managers are required to monitor companies in the portfolios to ensure best practice in corporate governance, employment conditions and environmental sustainability.

The Funds' benchmark and ranges of distribution are as follows:

Asset Class	Benchmark %	Range %
Equities:		
Global	90	+/-10
Bonds	0	+/-10
Property	10	+/-10
Cash	0	+10
	100	

The aims and objectives of the Common Investment Funds are as follows:

CIF1

Fund strategy is:

- to preserve the value of the fund, adjusted for real inflation
- to maintain a steady annual income stream

The performance objective of the Fund is to achieve an annual total return which exceeds the composite benchmark below by at least 1.25 per cent per annum, gross of fees, measured over rolling three-year periods, commencing 1 January 2011.

Asset Class	Performance Benchmark
UK Equities	FTSE All-Share
Europe (ex UK) Equities	FTSE All World Developed Europe (ex UK)
Emerging Markets Equities	FTSE All World Emerging Markets
Asia Pacific Equities	FTSE All World Developed Asia Pacific
United States Equities	S&P 500
Property	IPD UK Property

CIF2

The Fund strategy is to aim for capital growth rather than income. The performance objective of the Fund, excluding cash and gilts under lien, is to achieve an annual total return which exceeds the composite benchmark below by at least 1.25 per cent per annum, gross of fees, measured over rolling three-year periods commencing 1 January 2011.

Asset Class	Performance Benchmark
UK Equities	FTSE All-Share
Europe (ex UK) Equities	FTSE All World Developed Europe (ex UK)
Emerging Markets Equities	FTSE All World Emerging Markets
Asia Pacific Equities	FTSE All World Developed Asia Pacific
United States Equities	S&P 500
Property	IPD UK Property
Cash and gilts under lien	FTSE Gilts under 5 years

Performance for the year compared to the benchmark was as follows:

	CIF1 %	CIF2 %
Annual total return (gross of fees)	25.8	27.5
Benchmark return	27.1	27.1

For the year to 31 March 2021 CIF 1 slightly underperformed compared to benchmark, whilst CIF 2 met its benchmark performance objective.

In absolute terms the performance of the Common Investment Funds for the year was as follows:

	CIF1 2021 %	CIF1 2020 %	CIF1 2019 %	CIF2 2021 %	CIF2 2020 %	CIF2 2019 %
(Decrease)/Increase in capital value of fund	22.3	-9.3	8.8	25.5	-8.4	6.4
Average net income return	0.5	1.7	1.6	0.8	2.1	1.9

STRUCTURE, GOVERNANCE AND MANAGEMENT

The United Kingdom and Ireland Territory is under the command of a Territorial Commander, appointed by The General and responsible to him/her for the day-to-day administration of Salvation Army work throughout the British Isles, including the Channel Islands, the Isle of Man and the Republic of Ireland.

The Salvation Army's assets in the United Kingdom are held by The Salvation Army Trustee Company (SATCo), a company limited by guarantee, registered in England (No 00259322) with its registered office at 101 Newington Causeway, London SE1 6BN). The governing document of The Salvation Army Trust is The Salvation Army Act 1980, as amended. Under Section 12(1)(a) SATCo is appointed as the sole ordinary trustee of the trusts listed in Schedule 5 to that Act.

The two main trusts under which The Salvation Army operates in the United Kingdom are:

- The Salvation Army Trust, whose accounts are contained in this report; and
- The Salvation Army Social Work Trust

Connected Trusts

SATCo is the trustee of a number of connected charitable trusts which are concerned with specific aspects of the Army's work.

The Salvation Army Social Work Trust

Governing instrument: Deed Poll dated 30 January 1891 and a supplementary deed dated 26 March 1969. Registration No 215174 in England and SC037691 in Scotland.

The objects of The Salvation Army Social Work Trust are to promote the charitable work of The Salvation Army, as SATCo shall think fit, in one or more of the following ways:

- the relief of poverty, sickness, suffering, distress, incapacity or old age
- the advancement of education
- training in Christian and moral principles
- the assistance of those in need of protection

William Booth Memorial Trust

Governing instrument: Trust Deed dated 19 September 1921. Registration No 312882.

The purpose of this trust is the establishment, maintenance and operation of a college for the instruction and training of men and women for service as officers of The Salvation Army and others involved with or interested in the mission of The Salvation Army.

SUBSIDIARY AND ASSOCIATED COMPANIES

The following companies are beneficially owned by The Salvation Army Trust (percentage held) and donate all or part of their profits to The Salvation Army Trust:

1. The Salvation Army Trading Company Limited (SATCoL) (100%)
2. The Salvation Army General Insurance Corporation Limited (SAGIC) (100%)

1. SATCoL is a wholly owned subsidiary of The Salvation Army Trust. Its main activity is the collection and sale of second-hand clothes donated by the public from its 215 charity shops. SATCoL also supplies Salvation Army publications and other related materials.

2. SAGIC is a wholly owned subsidiary of The Salvation Army Trust and was formed in 1909. Its principal activity is transacting property insurance in the United Kingdom. SAGIC also provides home and contents insurance to officers, members and supporters of The Salvation Army as well as to the general public, either directly or through its broker network.

Connected Company

The Salvation Army Trust holds 20 per cent of the shares in William Leech (Investments) Limited.

RECRUITMENT AND APPOINTMENT OF DIRECTORS (TRUSTEES)

There are 14 directors, 10 by virtue of their appointments within The Salvation Army. One director is a divisional leader responsible for one of The Salvation Army's 22 divisions. There are normally five external non-executive directors and the vacant position is currently being reviewed.

Each non-executive director brings expertise in a relevant field - property, finance, fundraising/marketing, investments or social services. The appointment of non-executive directors is made by The General on the recommendation of the Nominations Committee.

Training and Induction of Directors

The Company Secretary briefs new directors on their legal responsibilities and familiarises them with the Company's governance folder (and previous Board minutes). This includes the articles of association of SATCo, the Charity Commission's essential trustee guidance, and other key documents and policies (including the Conflicts of Interest Policy). The Company Secretary regularly delivers a written governance update on relevant issues at each board meeting. Directors are also informed of and provided with the opportunity to attend several training sessions throughout the year.

Organisational Structure and Decision Making

SATCo's board (the 'Board') is assisted by, an Audit Committee, a Nominations Committee, an Investment Advisory Committee and a Risk Management Committee. The Audit Committee comprises a non-executive director chair and three independent members with a remit to review The Salvation Army's internal and external audit arrangements and consider reports issued by internal and external auditors including the annual financial statements. The role of the Nominations Committee is to recommend new non-executive Board members. The Investment Advisory Committee includes three external advisers in its membership and advises on appropriate investments. The Risk Management Committee is referred to below under Risk Management.

The Board met bi-monthly year, with some additional meetings scheduled as required in this reporting year. In addition to its oversight and governance role, the following matters require consideration and approval by the Board:

- annual budget
- expenditure of £5 million and above
- investment policy, on the recommendation of the Investment Advisory Committee
- Risk Register
- key policies
- Annual Financial Statements

The Board has delegated day to day operational matters to the Territorial Operations Board, under the leadership of the Chief Secretary.

During the previous financial year, the Internal Audit Department reviewed SATCo's performance against the Charity Governance Code for larger charities. The review identified a number of areas in which SATCo is performing well and other areas for development. The areas for development are being taken forward in preparation for another assessment that will take place in the next three years.

Directors' Responsibilities

The directors of SATCo are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of The Salvation Army Trust, and of the income and expenditure for that period. In preparing the financial statements, the directors are required to:

- select and consistently apply suitable accounting policies
- make judgments and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed
- observe the principles of the Charity SORP
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that The Salvation Army Trust will continue to operate

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of The Salvation Army Trust and are required to ensure the financial statements comply with The Salvation Army Act 1980, the Charities Act 2011 and The Charities and Trustees Investment (Scotland) Act 2005. They are also responsible for safeguarding the Trust's assets, taking reasonable steps to prevent and detect fraud and other irregularities.

The directors confirm they have taken account of the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and planning future activities and consider how planned activities will contribute to the aims and objectives set.

Remuneration of Key Management

Key management personnel of The Salvation Army comprise Salvation Army officers and employees. Salvation Army officers do not receive a salary, they receive an allowance based on length of service and, as ministers of religion, are provided with furnished accommodation and a motor vehicle. The allowances received by officers in positions of key management range from £18,148.92 to £24,249.88 per annum.

For employees, we are committed to ensuring a proper balance between paying salaries which will enable us to attract and retain staff of the appropriate calibre and careful stewardship of charitable funds. All senior salaries are benchmarked against senior staff salaries of comparable organisations in the not-for-profit sector.

Further information is disclosed in Notes 11 and 12 to the Accounts.

Risk Management

The Salvation Army identifies, assesses and manages risks that could impact its activities so it can better achieve its objectives, comply with relevant laws and regulations and safeguard its funds and assets.

The Board (SATCo) has ultimate responsibility for overseeing risk management, in accordance with Charity Commission guidance (CC26). The Risk Management Committee (RMC) directs an enterprise-wide risk management programme to inform decision making and ensure effective procedures to identify and evaluate risks and implement effective controls.

The RMC considers the most recent developments in the most significant risks, while also prioritising broader developments to the Salvation Army's approach to risk management. The most recent three-year plan promotes a deepening appreciation of the complexities of risk management within a wide-ranging structure, the importance of metrics to inform risk management and the implications of macro and global risks that may have consequences for the organisation.

Risk management operates through a top-down review by the RMC and bottom-up review by individual functions, enabling the identification and prioritisation of key and emerging risks. This enables site and service specific concerns to be identified and managed, whilst retaining high level oversight and assurance of the most significant risks facing the organisation. The RMC reports to the Board at least twice yearly on key risks. Through this risk management process the trustees have considered the major risks facing the organisation and satisfied themselves that controls are established to manage them.

Unfortunately, the nature of our work means that despite the steps we take, serious incidents can still arise, and we continue to place the utmost importance on reporting these to our regulators.

The Covid-19 pandemic not only had a significant impact on the Salvation Army's Corps (churches) and services, but it also created significant new risks as essential provision continued, and in the reopening of sites. The management of some of our principal risks in the reporting year related to business continuity and Safe Mission (health and safety) which changed considerably as a result, while the mitigations of other risks were also adapted. The following table outlines the most significant risks for the reporting period, taking account of their impact and likelihood, and the mitigations in place to manage them.

Principal risks

The Salvation Army's work is diverse, geographically spread across a broad range of settings and has a variety of beneficiaries. The risk landscape is therefore varied, and controls are deployed appropriately at different levels of the organisation. The following outline indicates the most significant TSA risks in the reporting period, and some of the strategic level mitigations we have in place.

Principal Risks	Mitigation
Business Continuity - There is a risk that the occurrence of a significant incident where, during and after the incident, The Salvation Army will not be able to continue to be viable and meet stakeholder expectations.	Business continuity policies and procedures, including the application of ISO27001 for some parts of the organisation, prepare us for management of interruptions. Our business continuity plans have been invoked to manage the pandemic response, enabling us to continue delivering key services in challenging circumstances.
Cyber - The risk is that we fail to protect our information systems and the information they hold.	We deploy multiple measures to protect our systems and the information they hold. We work within an information security international standard (ISO27001) and build on lessons from our internal and external audits in this area. The Salvation Army United Kingdom and Ireland Territory experienced an IT incident in June of 2021, the impact on the work of the Salvation Army Trust was contained with temporary operational adjustments allowing the Trust to continue business as normal.
Data Protection - The risk that we fail to protect sensitive and personal data.	As well as our data protection/GDPR policies and training we take steps to ensure that personal data is treated properly through appropriate security measures, staff training, the use of data protection impact assessments and contractual requirements with organisations we work with who process our personal data.
Financial Sustainability - The risk that there is insufficient revenue income from donations and reserves to support our operating model resulting in the failure of The Salvation Army to thrive in a rapidly changing environment	We continue to monitor the funding situation and adjust our financial planning and commitments accordingly to ensure we are financially resilient. We adjusted our approach during the pandemic to offer enhanced monitoring of this risk, and our Fiscal Stewardship Principles guide our financial decision making.
Healthy Corps and Centres - There is a risk that a variety of factors prohibit flourishing of our churches and centres.	We seek to understand how our Corps (churches) and centres can thrive in a wider environment of falling church attendance. We are taking steps to establish and measure factors that contribute to healthy mission and provide close support to our Corps Officers in their daily work.
Safeguarding - The risk is that we fail to provide a safe environment, free from abuse, for everyone, including vulnerable beneficiaries.	We continue to maintain clear policies and procedures in relation to safeguarding and ensure the appropriate screening, training and supervision of personnel. A subcommittee of RMC - the Territorial Safeguarding Committee - oversees management of the risk.
Safe Mission - The risk is that we are not able to ensure the health, safety and welfare of personnel, service users and members of the public who are affected by our activities, including in a Covid-impacted environment.	As Covid-related rules and guidance have changed, so have our processes. Thanks to the continuation of our business continuity measures throughout much of the pandemic, we have been adaptable and responsive in ensuring that health and safety measures are proportionate and offer the right protection for our personnel and beneficiaries. Two RMC subcommittees - the Safe Mission Council and the Sudden Deaths Review Group - inform the management of this risk.



Lieut-Colonel Alan Read, Director

On behalf of the Directors of The Salvation Army Trustee Company
10 December 2021

DIRECTORS

The current directors of The Salvation Army Trustee Company and those who held office during the year are as follows:

Commissioner Anthony Cotterill	Chair
Colonel Paul Main	Deputy Chair (Appointed 20.11.20)
Colonel William Lee Graves	(Resigned 31.10.20)
Colonel Jenine Main.....	(Appointed 20.11.20)
Colonel Deborah Graves	(Resigned 31.10.20)
Lieut-Colonel Alan Read	Managing Director
Lieut-Colonel Andrew McCombe	
Lieut-Colonel Beverley McCombe	
Lieut-Colonel Dean Pallant	
Lieut-Colonel Judith Payne	
Major Noreen Batt	
Major Judith Hilditch	
Helen O'Brien	
Mark Puller	
Peter Gale	
Graham Roper	(until 19.09.21)
Andrew Stickland	

The Chief Secretary, Colonel Paul Main, is responsible for the day-to-day management of the charity.

Committee Members (current)

Territorial Operations Board

Colonel Paul Main (Chair), Commissioner Gillian Cotterill, Tony Daniels, Major Mal Davies, Miguel Fiallos, Peter Grant, Major Judith Hilditch, Lorrita Johnson, Lieut-Colonel Andrew McCombe, Lieut-Colonel Beverley McCombe, Mitch Menagh, Alex O'Hara, Lieut-Colonel Dean Pallant, David Rice, Lieut-Colonel Alan Read, Julius Wolff-Ingham

Audit Committee

Andrew Stickland (Chair), Stephen Bright, Hannah Greenfield, Mike Grills

Investment Advisory Committee

Peter Gale (Chair), Mark Colton, William Dalziel, Major Judith Hilditch, Mary Haly, Major Beverly Lloyd, Lieut-Colonel Alan Read, Philip Rotherham, Daniel Wills

Nominations Committee

Peter Gale, Colonel Paul Main, Lieut-Colonel Alan Read, Elliot Thomas

Risk Management Committee

Helen O'Brien (Chair), Lieut-Colonel Andrew McCombe, Lieut-Colonel Beverley McCombe, Lieut-Colonel Dean Pallant, David Rice, Lieut-Colonel Alan Read, Major Elwyn Harries, Elliot Thomas, Daniel Wills, Major Julian Watchorn, Julius Wolff-Ingham

Company Secretary

Elliot Thomas is Company Secretary of The Salvation Army Trustee Company.

ADVISERS

Bankers

Reliance Bank Limited, Faith House, 23/24 Lovat Lane, London EC3R 8EB

Auditors

Knox Cropper LLP, Chartered Accountants, 65 Leadenhall Street, London EC3A 2AD

Solicitors

England and Wales: Slaughter and May, 1 Bunhill Row, London EC1Y 8YY

Scotland: Blackadders, 5 Rutland Square, Edinburgh EH1 2AX

Investment Advisers

BWCI Consulting Limited, PO Box 68, Albert House, South Esplanade, St Peter Port, Guernsey GY1 3BY

Investment Managers

Cazenove Capital Management, 12 Moorgate, London EC2R 6DA

Sarasin & Partners LLP, Juxon House, 100 St Paul's Churchyard, London EC4M 8BU

Legal & General Investment Ltd, One Coleman Street, London, EC2R 5AA

Independent Auditors Report to the Salvation Army Trustee Company, the Managing Trustee

Opinion

We have audited the consolidated financial statements of The Salvation Army Trust for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Balance Sheets, the Consolidated Statement of Cash Flows and the related notes. 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:

- a) give a true and fair view of the state of The Salvation Army Trust and parent charity's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, for the year then ended;
- b) have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- c) have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustees 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustee is responsible for the other information.

Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 and the Charity Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustee

As explained more fully in the trustee's responsibilities statement, the trustee is 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 trustee determines 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 trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144(1) of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

- The Charity is required to comply with charity law and, based on our knowledge of its activities, we identified that the legal requirement to comply with charity law including accurately accounting for restricted funds was of key significance.
- We gained an understanding of how the charity complied with its legal and regulatory framework, including the requirement to properly account for restricted funds, through discussions with management and a review of the documented policies, procedures and controls.
- The audit team, which is experienced in the audit of charities, considered the charity's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override.
- Our approach was to check for compliance with charity law and tax legislation applicable for charities and to ensure that all restricted income was properly identified and separately accounted for. This included reviewing journal adjustments and unusual transactions.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken, so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report or for the opinions we have formed.

65 Leadenhall Street
London EC3A 2AD

10 December 2021



Knox Cropper LLP
Chartered Accountants
Registered Auditors

Knox Cropper LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

The Salvation Army Trust

Financial Statements

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Endowment £000	Restricted £000	Unrestricted £000	2021 Total £000	2020 Total £000
INCOME AND ENDOWMENTS FROM						
Donations, Legacies and Grants						
Legacies		-	8,646	39,740	48,386	52,972
Donations - Public		-	12,665	67,238	79,903	58,254
Donations - Members	2	-	16,174	92	16,266	18,964
Grants	3	225	7,021	9,234	16,480	2,533
Trading Activities	4	-	3,291	55,270	58,561	91,197
Investments	5	-	1,314	1,532	2,846	5,216
Other						
Gain on property disposal		-	3,066	11,064	14,130	10,669
Other income		-	569	872	1,441	1,017
Total Income		225	52,746	185,042	238,013	240,822
EXPENDITURE						
Raising Funds						
Costs of raising donations, legacies and grants		-	665	12,757	13,422	12,039
Costs of trading activities	4	-	4,590	64,252	68,842	82,038
		-	5,255	77,009	82,264	94,077
Charitable Activities						
	7					
Church and Evangelism Programmes		-	24,569	14,591	39,160	48,721
Community Programmes		-	32,028	17,060	49,088	62,855
International Programmes		-	3,063	3,213	6,276	5,926
Training Programmes		-	29	4,584	4,613	5,286
Youth and Young People's Programmes		-	-	1,822	1,822	2,652
Grant to the Salvation Army Social Work Trust		-	-	16,000	16,000	16,000
		-	59,689	57,270	116,959	141,440
Total Expenditure			64,944	134,279	199,223	235,517
Gains/(Losses) on Investments	16(a)	2,754	597	33,180	36,531	(14,422)
Net Income/(Expenditure)		2,979	(11,601)	83,943	75,321	(9,117)
Transfer between funds		-	22,391	(22,391)	-	-
NET MOVEMENT IN FUNDS		2,979	10,790	61,552	75,321	(9,117)
Fund balances brought forward		14,573	457,918	158,669	631,160	640,277
Fund balances carried forward at 31 March 2021		17,552	468,708	220,221	706,481	631,160

All activities reported above, in both the current and preceding years, reflect ongoing activities.
The annexed notes form part of these financial statements.

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2021

		Consolidated		Trust	
	Notes	2021 £000	2020 £000	2021 £000	2020 £000
FIXED ASSETS					
Intangible Fixed Assets	13	1,608	2,904	-	-
Tangible Fixed Assets					
Properties	14	313,216	310,256	308,305	307,486
Property Schemes in Progress	14	24,660	20,669	24,660	20,669
Motor Vehicles and Equipment	15	8,544	10,217	1,866	1,139
Investments	16	205,283	168,544	208,185	170,475
		553,311	512,590	543,016	499,769
CURRENT ASSETS					
Short-Term Deposits		62,029	69,302	62,029	69,302
Stock		2,444	2,521	211	210
Debtors	17	49,733	48,832	38,482	35,176
Bank Balances and Cash		73,174	36,231	59,507	22,567
		187,380	156,886	160,229	127,255
CREDITORS: amounts falling due within one year	18	(33,700)	(34,404)	(15,878)	(13,612)
NET CURRENT ASSETS		153,680	122,482	144,351	113,643
TOTAL ASSETS LESS CURRENT LIABILITIES		706,991	635,072	687,367	613,412
CREDITORS: amounts falling due after one year	19	(510)	(3,912)	(510)	(3,912)
TOTAL NET ASSETS		706,481	631,160	686,857	609,500
FUNDS					
Endowment Funds	20	17,552	14,573	17,552	14,573
Restricted Funds					
Property Fund	21	332,060	321,395	332,060	321,395
Other Restricted Funds	22	136,648	136,523	136,648	136,523
Unrestricted Funds	23	220,221	158,669	200,597	137,009
TOTAL FUNDS	24	706,481	631,160	686,857	609,500

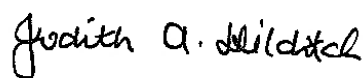
The consolidated Balance Sheet incorporates the subsidiary.

Approved on behalf of The Salvation Army Trustee Company on 10 December 2021.

The annexed notes form part of these financial statements.



Lieut-Colonel Alan Read
Director



Major Judith Hilditch
Director

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £000	2020 £000
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	28	28,520	(9,285)
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES			
Additions to intangible Assets		-	(625)
Additions to Properties		(15,384)	(16,588)
Net Additions to Property Schemes in Progress		(5,169)	(8,423)
Proceeds on disposal of Properties		19,744	16,490
Additions to Motor Vehicles and Equipment		(1,918)	(4,797)
Proceeds on disposal of Motor Vehicles and Equipment		1,296	116
Additions to Investments		(1,496)	(226)
Proceeds from disposal of Investments		1,288	-
Investment Income		2,846	5,216
Management of short-term deposits		7,273	28,588
		8,480	19,751
NET CASH (OUTFLOW) FROM FINANCING ACTIVITIES			
Loan Repayments		(57)	(119)
Increase/(Decrease) in Cash and Cash Equivalents		36,943	10,347
Cash and Cash Equivalents at beginning of year		36,231	25,884
Cash and Cash Equivalents at end of year		73,174	36,231

	Balance 1 April 2020 £000	Cash-Flows £000	Loan Repayments £000	Balance 31 March 2021 £000
ANALYSIS OF CHANGES IN NET DEBT				
Cash at Bank	36,231	36,943	-	73,174
Loans falling due within one year	(52)	-	3	(49)
Loans falling due after more than one year	(564)	-	54	(510)
	35,615	36,943	57	72,615

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements and which have been consistently applied (except where indicated) are set out as follows:

(a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, subject to the inclusion of investments at market value and donated properties at valuation on acquisition, and are in accordance with the Charities SORP (FRS 102) (second edition - October 2019), Financial Reporting Standard 102, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the regulations issued thereunder.

The Salvation Army Trust is a public benefit entity as defined by FRS 102.

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of The Salvation Army Trust to continue as a going concern. The trustee has made this assessment for a period of at least one year from the date of approval of the financial statements and has considered the ongoing impact of the Covid-19 pandemic. The activities and services of the Salvation Army Trust has had to adjust to the closure of many Corps, Charity shops and community centres, delivering service out to the community, continuing to provide emergency food supplies, cooked meals to the elderly, support to the homeless and our country's frontline workers, and support services under government guidelines against the backdrop of the COVID-19 pandemic. Our churches have continued to communicate with people with activities such as online worship as well as online debt and employment advice. The income for the work of The Salvation Army Trust has been much more resilient than anticipated. The general public has responded well to our fundraising campaigns, our members have given sacrificially, the furlough scheme has enabled us to support staff who were not able to work, and we have been able to benefit from local authority and government grants. We have maintained some remedial actions, using restricted reserves and sold properties that are no longer needed for our mission. This has resulted in The Salvation Army Trust being able to maintain its operations both now and going forward.

On the basis of the above, the trustee has concluded that there is no material uncertainty about the Trust's ability to meet its debts as they fall due for at least 12 months following approval of the financial statements and therefore continues to adopt the going concern basis in preparing its financial statements.

(b) Consolidation

The financial statements aggregate the results of the corps which, for the purposes of compliance with the Statement of Recommended Practice, are considered to be branches, and the results of the subsidiary companies, and of the subsidiary trust (William Booth Memorial Trust).

(c) Key judgments and estimates used in preparing these financial statements

i. Financial instrument classification

The classification of financial instruments as 'basic' or 'other' requires judgment as to whether all applicable conditions are met. This includes a review of the form of the instrument and its return. All financial instruments, including loans, are currently classified as 'basic'.

ii. Capitalisation of property improvement and development

Property improvement and development schemes are reviewed to ascertain whether expenditure should be capitalised or charged to the Statement of Financial Activities. Expenditure which enhances the social use of the property or improves its economic return is capitalised. Expenditure which repairs a property and brings it back to its original condition is written off.

iii. Useful lives of properties and other fixed assets

The useful lives of properties and other fixed assets are reviewed at each reporting date and depreciation rates adjusted accordingly.

iv. Pension obligations

The provision for contributions payable in respect of past service deficits on the Trust's defined benefit pension scheme is calculated by the appointed actuary taking into account assumptions relating to the discount rate, inflation and increases in salaries and allowances.

v. Identification and valuation of investment properties

The Group's property portfolio is reviewed annually to identify investment properties, which are those properties held to earn income or for capital appreciation rather than to be used for its charitable purposes. Properties no longer used for charitable purposes but retained until market conditions allow their disposal are not treated as investment properties, provided disposal is intended within a reasonable time scale.

After initial recognition, investment property is measured at its fair value based either on valuation by The Salvation Army Property Department or by an independent valuer. In either case the valuer will hold a recognised and relevant professional qualification. The property will be valued at each subsequent reporting date.

(d) Income

- i. Donations, Legacies and Grants - Donations, including the gross equivalent of those under Gift Aid, legacies and grants are brought into account when the Trust is entitled to the income, receipt is probable and the amount receivable can be measured reliably.
- ii. Investment Income - Dividends and interest are brought into account gross in the year they are due.
- iii. Profits and losses on disposal of assets are reflected in the Statement of Financial Activities in the year of disposal.
- iv. Trading Income - Trading income is recognised at the point of sale for retail sales and at the time of distribution for wholesale unsorted clothing.
- v. Funds raised by local corps including trading income, are deemed to be restricted for use in the local area.

(e) Expenditure

Expenditure is charged on the accruals basis.

- i. Irrecoverable Value Added Tax is charged to the related expenditure.
- ii. Resources expended
 - Costs of raising donations, legacies and grants consist of direct campaign appeal expenses and the running costs of the Fundraising Department.
 - Charitable Activities consists of all expenditure relating to the objects of the charity including the costs of supporting charitable activities and projects.

Support costs, including governance, have been apportioned to each category of expenditure based on the number of officers and employees involved in each area or on an estimate of the time spent by officers and employees on particular activities.

- iii. The non-capital element of property schemes is written off in the year of completion, and a provision is made annually for schemes in progress. The capital element of such schemes not completed at the year-end is carried forward in the Balance Sheet under the heading of Property Schemes in Progress and is disclosed as a fixed asset.
- iv. Retired Officers' Allowance Fund - This is a multi-employer charitable fund which operates in a similar way to a defined benefit pension fund. The assets and constructive liabilities cannot be separately identified and therefore the amount charged in the Statement of Financial Activities represents the contribution payable during the year in respect of current service and the total contributions payable (or movement in provision thereof) in respect of past service.
- v. Employees' Pension Fund - This is a multi-employer pension fund where the assets and liabilities cannot be separately identified and therefore the amount charged in the Statement of Financial Activities represents the contribution payable during the year in respect of current service and the total contributions payable (or movement in provision thereof) in respect of past service. The actuarial valuation is done on a three-year cycle and each year, we designate an amount of money to meet the deficit at the end of the cycle

(f) Fixed Assets

- i. Expenditure on the acquisition or improvement of property is reflected as a fixed asset, whereas costs of repairs and renewals to property are charged to the Statement of Financial Activities.
- ii. Expenditure on the acquisition of vehicles is capitalised and expenditure on computer equipment and other office equipment which exceeds £15,000 in value (individually or for groups of related assets) is capitalised and depreciated over its economic life.
- iii. In accordance with FRS 102 component accounting has been adopted for Freehold and Long leasehold properties. A property comprises of major components with substantially different useful lives. Depreciation is charged on major components so as to write off the cost of the components to their residual values, over their estimated useful lives, using the straight-line method, as follows

Freehold Land	Not depreciated
Building - Main Fabric (structure)	50 years

Major Components

Roof structure and covering	50 years
Bathrooms and WCs	20 years
Lifts	25 years
Mechanical and Electrical Systems	25 years
Windows and External Doors	25 years
Kitchens	20 years

Short leasehold properties are depreciated over the term of the lease.

- iv. Depreciation is provided on other tangible fixed assets at the following rates:

Motor Vehicles	- 25% pa on cost
Office Equipment	- 25% pa on cost
- v. Goodwill arising on acquisition is amortised on a straight-line basis over the estimated useful life which has been estimated to be 10 years.

(g) Investments

To comply with the Statement of Recommended Practice investments are included at market value. Unlisted investments are valued at the share of underlying net assets which equates to fair value. Investment properties have been valued by an internal property surveyor. Residential investment properties have been valued by reference to recent sales of similar properties in the area. Commercial investment properties have been valued by reference to their current rental income.

(h) Stocks

Stocks are valued at the lower of cost and net realisable value.

(i) Funds

- i. The Property Fund represents monies already expended on the acquisition, construction and improvement of freehold and leasehold properties. Unrestricted designated funds which are applied for property purposes are categorised as restricted giving rise to a transfer during the year.
- ii. The Endowment Funds are held for restricted purposes, where the income only is available to be used in accordance with the wishes of the donors.
- iii. The Restricted Funds are held for restricted purposes, as specified by the donors.
- iv. The Unrestricted Funds include: Designated Reserves held for particular purposes designated by The Salvation Army in the exercise of its discretionary powers and General Reserve representing the net assets not designated for specific purposes.

2. MEMBERS' DONATIONS

This represents Salvationists' personal giving to support their local corps (church) and the work of The Salvation Army.

3. GRANTS RECEIVABLE

	Endowments	Restricted	Unrestricted	2021 Total	2020 Total
	£000	£000	£000	£000	£000
Government Grants Covid-19	-	-	9,174	9,174	-
Other Grants	-	-	40	40	80
Local Authority (incl. Covid grants)	-	3,081	-	3,081	1,424
Trusts	225	3,940	20	4,185	1,029
	225	7,021	9,234	16,480	2,533

Local authority restricted grants include Covid-19 grants to support Corps.

4. TRADING INCOME AND EXPENDITURE

Funds generated by corps are retained by the corps for use in the local area and are regarded as restricted for that geographical region.

	2021 £000	2020 £000
Local corps charity shops and other trading activities		
Income	3,291	14,633
Expenditure	(4,590)	(7,908)
	(1,299)	6,725
Trading Subsidiaries		
Income (Note 6)	55,270	76,564
Expenditure (Note 6)	(64,252)	(74,130)
	(8,982)	2,434

5. INVESTMENT INCOME

	2021 £000	2020 £000
Dividends receivable	1,535	3,134
Interest receivable	331	645
Rental income from investment properties	120	539
Income from connected company	816	794
Investment Income of subsidiary companies (Note 6)	44	104
	2,846	5,216

6. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARIES

The Salvation Army Trust has two wholly owned trading subsidiaries which are incorporated in the UK. The Salvation Army General Insurance Corporation Limited (SAGIC) transacts insurance business, mainly property insurance. The Salvation Army Trading Company Limited (SATCoL) deals with the collection and recycling of second-hand clothing donated by the general public and is engaged in publishing and the supply of Salvationist materials. Both companies make a qualifying donation of part of their profits to The Salvation Army Trust. Where profits are retained, it is for working capital needs and capital for the long-term development of the business. A summary of the trading results of the subsidiary companies for the year ended 31 March 2021 is shown below. Audited accounts of the companies have been filed with the Registrar of Companies.

	SAGIC	SATCoL	2021 Total	2020 Total
	£000	£000	£000	£000
Profit and Loss Account				
Trading Income	19,352	35,918	55,270	76,564
Cost of Trading Activities:				
Cost of Sales	(17,949)	(26,472)	(44,421)	(50,644)
Distribution Costs	-	(1,462)	(1,462)	(1,472)
Operating Costs	(729)	(17,977)	(18,706)	(21,246)
Other Income/(Costs) Including Taxation	(134)	471	337	(768)
Total cost of Trading Activities	(18,812)	(45,440)	(64,252)	(74,130)
Covid-19 Grant Income	-	9,174	9,174	-
Investment Income	44	-	44	104
Net Profit	584	(348)	236	2,538
Realised Losses on Investments	(25)	-	(25)	(54)
Unrealised Gains on Investments	8	-	8	12
Net Income for the year	567	(348)	219	2,496
Payable to The Salvation Army Trust (Gift Aid)	-	(2,241)	(2,241)	-
Retained in Subsidiary	567	(2,589)	(2,022)	2,496

7. CHARITABLE ACTIVITIES

	Direct Costs	Grants	Support Costs (Note 8)	2021 Total
	£000	£000	£000	£000
Church and Evangelism Programmes	29,385	-	9,775	39,160
Community Programmes	37,320	-	11,768	49,088
International Programmes	3,068	3,067	141	6,276
Training Programmes	3,434	-	1,179	4,613
Youth and Young People Programmes	602	-	1,220	1,822
Grant to Salvation Army Social Work Trust	-	16,000	-	16,000
	73,809	19,067	24,083	116,959

Church and Evangelism Programmes comprise Christian worship, teaching and promotion of the Christian message at corps, regional and national events.

Community Programmes are organised by our corps to meet the needs of their local communities. The programmes offered are available to all and include activities for children, young people, families and older people as well as assistance for those in need.

International Programmes comprise support to the work of The Salvation Army worldwide. This includes grants paid to The Salvation Army International Trust and to overseas Salvation Army territories for projects to alleviate poverty in local communities.

Training Programmes represent the cost of William Booth College which trains people to become Salvation Army officers and provides learning and development opportunities for employees and officers.

Youth and Young People Programmes represent the cost of work within The Salvation Army for young people and adults aged 12-25, and other nationally organised programmes.

Grant to The Salvation Army Social Work Trust comprises grants payable to support the running of Salvation Army Life houses, care homes and other programmes and other costs incurred in supporting social programmes.

Support Costs represent centrally supplied services.

8. SUPPORT COSTS

	Finance	HR	IT	Property	Communi- cation	Other	Legal & Secretarial	2021 Total	2020 Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Fundraising	55	35	57	53	71	35	11	317	370
Church & Evangelism Programmes	1,394	1,783	2,137	1,502	1,800	901	258	9,775	11,211
Community Programmes	1,814	2,006	2,275	1,827	2,342	1,167	336	11,767	13,559
International Programmes	23	18	29	23	30	15	4	142	163
Training Programmes	211	124	200	197	273	135	39	1,179	1,373
Youth & Young People Programmes	291	38	62	217	375	184	53	1,220	1,477
	3,788	4,004	4,760	3,819	4,891	2,437	701	24,400	28,153
Total 2020	3,967	4,546	4,561	4,433	4,560	3,645	2,441	-	28,153

An analysis of governance costs included above, is set out in Note 9 below.

9. GOVERNANCE COSTS

Absorbed within support costs were the following governance costs:

	2021 £000	2020 £000
External audit	135	132
Internal audit	317	407
Trustee expenses	-	1
Support costs allocated:		
Trustee indemnity insurance	17	11
Apportionment of directors' time	104	111
	573	662

10. PERSONNEL

The average number of officer and employees and full time equivalent (FTE) officers and employees was:

	2021 Headcount Number	2021 FTE Number	2020 Headcount Number	2020 FTE Number
Trust				
Number of Officers	792	776	826	803
Number of Employees	1,411	1,127	1,620	1,185
	2,203	1,903	2,446	1,988
Subsidiaries	651	651	619	619
Total	2,854	2,554	3,065	2,607
	Trust	Subsidiaries	2021	2020
	£000	£000	Total	Total
			£000	£000
Personnel Costs				
Allowances and Salaries	56,176	17,983	74,159	74,733
Redundancy Costs	626	-	626	55
Social Security Costs	4,559	1,390	5,949	6,613
Pension Fund Contributions (Current Service)	9,509	1,264	10,773	10,608
Officers Pension Fund Contributions (Past Service)	-	-	-	583
	70,870	20,637	91,507	92,592

Higher Paid Employees

The number of employees whose emoluments amounted to over £60,000 in the year was as follows:

	Trust No.	Subsidiaries No.	2021 Total No.	2020 Total No.
£60,001 - £70,000	22	-	22	23
£70,001 - £80,000	8	-	8	4
£80,001 - £90,000	-	1	1	1
£90,001 - £100,000	5	-	5	6
£100,001 - £110,000	3	2	5	3
£110,001 - £120,000	-	-	-	-
£120,001 - £130,000	-	1	1	1
£130,001 - £140,000	-	1	1	1
£140,001 - £150,000	-	1	1	1
£150,001 - £160,000	-	-	-	1
£160,001 - £170,000	-	1	1	-
	38	7	45	41

Key Management Personnel

The key management personnel of the Trust are those persons having authority and responsibility for planning, directing and controlling the activities of the Trust, directly or indirectly, including the directors of the Salvation Army Trustee Company as the Corporate Trustee of the Trust. The Trustee considers the key management personnel of the Trust to be the executive directors (officers and employees) of the Board. The total aggregate emoluments including pension contributions paid to key management personnel during the year was £222,784 (2020: £233,142)

11. TRUSTEES

(a) Emoluments:

The directors of The Salvation Army Trustee Company comprise Salvation Army officers and employees and other external directors with specialist expertise. All active Salvation Army officers receive an allowance based on length of service and, as ministers of religion, are provided with furnished accommodation and a motor vehicle. They are eligible for support from the Salvation Army Retired Officers Allowance Fund. The allowances received by the officers serving as directors ranged from £18,148.92 to £24,249.88 per annum and they did not receive any additional remuneration for their duties as directors.

(b) Expenses

No (2020: three) directors of The Salvation Army Trustee Company were reimbursed for travelling expenses, amounting to £0 (2020: £888).

12. PENSION AND SIMILAR COSTS

The Salvation Army Trust contributes to three pension or similar schemes in respect of its staff:

- i. The Salvation Army Retired Officers Allowance Fund relating to Salvation Army officers,
- ii. The Salvation Army Employees Pension Fund for other staff,
- iii. A defined contribution scheme set up to offer employees who are not members of the Salvation Army Employees Pension Fund the opportunity to join a pension scheme following the closure of the Employee Pension Scheme to new members with effect from 31 December 2011.

Amounts charged in respect of pension fund contributions for the year are disclosed in Note 10 above.

(a) SALVATION ARMY RETIRED OFFICERS ALLOWANCE FUND

The Salvation Army Retired Officers Allowance Fund was established by The Salvation Army Act 1963 under the legal name, The Salvation Army Officers Pension Fund. It is a registered charity and operates on the same basis as a defined benefit scheme, but the benefits are not guaranteed. It is non-contributory by the officer, but a contribution per officer, at present £4,860 per annum (2020: £4,740), is made by The Salvation Army. Officers in both principal Trusts (The Salvation Army Trust and The Salvation Army Social Work Trust) participate in the scheme and it is not possible to allocate the assets and constructive liabilities of the Fund between the Trusts. Therefore, the Fund is accounted for in a similar way as a multi-employer pension fund.

The Salvation Army Retired Officers Allowance Fund was subject to a triennial actuarial review on 31 March 2019, using the Attained Age Method, and this was based on the following principal assumptions:

Post-Retirement Discount Rate	2.7% per annum
Pre-Retirement Discount Rate	3.4% per annum
Rate of Increase in Allowances and Pensions	4.1% per annum
Rate of Inflation	3.6% per annum

The market value of the Fund's assets at the valuation date amounted to £231.6m whereas the value of past service ongoing liabilities amounted to £238.8m revealing a funding shortfall of £7.2m.

A recovery plan was agreed whereby the contribution per officer was increased to £4,860 per annum, from 1 April 2020, and The Salvation Army Trust would make an annual capital contribution to the scheme of £2m over a period of approximately 13 years. In practice, capital contributions in excess of this amount are being paid in order to fund the deficit over a shorter period of time and in 2020/21 the capital contribution paid was £4m (2019/20 £4m).

Although the pension benefits are not guaranteed, they do represent a constructive liability as there are expectations that the pensions will be paid. Therefore, a provision is made for the total discounted value of the future capital contributions which The Salvation Army Trust has agreed to pay. At the year end, the Salvation Army Trust had fully paid the deficit contributions which it had agreed to pay and had paid an additional amount in advance amounting to £621,000. As this will reduce the requirement for future contributions, this amount has been accounted for as a payment in advance within debtors.

(b) SALVATION ARMY EMPLOYEES PENSION FUND

The Salvation Army Employees' Pension Fund is a funded defined benefit scheme. The contribution rate payable by members is 8% of pensionable salaries and the employer's contribution is 23.9% of pensionable salaries.

The Scheme is a multi-employer scheme incorporating six employers. It closed to new members with effect from 31 December 2011. The actuary has confirmed that it is not practical to allocate the assets and liabilities of the scheme between participating employers and therefore it is accounted for as a multi-employer scheme.

The Scheme is subject to triennial actuarial valuations. The last actuarial valuation was completed, using the Projected Unit Method, at 31 March 2018.

The review was based on the following assumptions:

Post-retirement discount rate	2.3% per annum
Pre-retirement discount rate	3.8% per annum
Rate of salary increases	4.0% per annum
Rate of pension increase:	
On pensions accrued before 6 April 2006	3.4% per annum
On pensions accrued after 6 April 2006	2.3% per annum
Inflation: RPI	3.5% per annum
CPI	2.75% per annum
Deferred Pension Increases (pre 6 April 2009)	2.75% per annum
Deferred Pension increases (post 6 April 2009)	2.5% per annum

The market value of the Fund's assets on the valuation date was £167.8m and the value of technical provisions amounted to £178.4m giving rise to a funding shortfall of £10.6m.

The trustees and employers agreed a recovery plan to eliminate the shortfall which involved lump sum payments into the fund by each of the employers. The amount payable by The Salvation Army Trust amounted to £6.1m and this was fully accounted for in the 2018/19 financial year.

13. INTANGIBLE FIXED ASSETS

	Goodwill £000	Other £000	Total £000
Goodwill			
Cost			
Balance at 1 April 2020	11,275	625	11,900
Additions	-	-	-
Balance at 31 March 2021	11,275	625	11,900
Accumulated Depreciation			
Balance at 1 April 2020	8,895	101	8,996
Charge for the year	1,171	125	1,296
Balance at 31 March 2021	10,066	226	10,292
Net Book Value at 31 March 2021	1,209	399	1,608
Net Book Value at 31 March 2020	2,380	524	2,904

Intangible fixed assets represent the goodwill arising on acquisition, by the Trust's subsidiary company SATCoL, of the business operations and net assets of Kettering Textiles Limited. The goodwill is being amortised over 10 years.

The £625K addition represents patents and licences in the Trust's subsidiary SATCoL.

14. PROPERTIES

(a) Consolidated

	Freehold	Long Leasehold	Short Leasehold	Total	Property Schemes In Progress
	£000	£000	£000	£000	£000
Cost					
Balance at 1 April 2020	424,144	39,850	229	464,223	20,669
Additions during the year	11,166	4,218	-	15,384	7,886
Schemes completed during the year	1,178	-	-	1,178	(1,178)
	436,488	44,068	229	480,785	27,377
Less: Disposals	(8,354)	(389)	-	(8,743)	(2,717)
Balance at 31 March 2021	428,134	43,679	229	472,042	24,660
Accumulated Depreciation					
Balance at 1 April 2020	142,175	11,565	227	153,967	-
Charge for the year	6,909	1,079	-	7,988	-
Less: Disposals	(2,980)	(149)	-	(3,129)	-
Balance at 31 March 2021	146,104	12,495	227	158,826	-
Net Book Value at 31 March 2021	282,030	31,184	2	313,216	24,660
Net Book Value at 31 March 2020	281,969	28,285	2	310,256	20,669

(b) Trust

	Freehold	Long Leasehold	Short Leasehold	Total	Property Schemes In Progress
	£000	£000	£000	£000	£000
Cost					
Balance at 1 April 2020	422,837	38,086	229	461,152	20,669
Additions during the year	11,166	1,934	-	13,100	7,886
Schemes completed during the year	1,178	-	-	1,178	(1,178)
	435,181	40,020	229	475,430	27,377
Less: Disposals	(8,354)	(389)	-	(8,743)	(2,717)
Balance at 31 March 2021	426,827	39,631	229	466,687	24,660
Accumulated Depreciation					
Balance at 1 April 2020	141,907	11,531	228	153,666	-
Charge for the year	6,893	951	-	7,844	-
Less: Disposals	(2,978)	(150)	-	(3,128)	-
Balance at 31 March 2021	145,822	12,332	228	158,382	-
Net Book Value at 31 March 2021	281,005	27,299	1	308,305	24,660
Net Book Value at 31 March 2020	280,930	26,555	1	307,486	20,669

Trust properties comprise primarily corps halls, Divisional and Territorial Headquarters buildings and residential properties for active and retired officers.

15. MOTOR VEHICLES AND EQUIPMENT

(a) Consolidated

	Motor Vehicles £000	Office Equipment £000	Total £000
Cost			
Balance at 1 April 2020	2,590	26,222	28,812
Additions	13	1,905	1,918
Disposals	(2,254)	(1,350)	(3,604)
Balance at 31 March 2021	349	26,777	27,126
Accumulated Depreciation			
Balance at 1 April 2020	1,158	17,437	18,595
Charge for the year	107	2,188	2,295
Disposals	(1,031)	(1,277)	(2,308)
Balance at 31 March 2021	234	18,348	18,582
Net Book Value at 31 March 2021	115	8,429	8,544
Net Book Value at 31 March 2020	1,432	8,785	10,217

(b) Trust

	Motor Vehicles £000	Office Equipment £000	Total £000
Cost			
Balance at 1 April 2020	336	2,469	2,805
Additions	13	1,156	1,169
Disposals	-	-	-
Balance at 31 March 2021	349	3,625	3,974
Accumulated Depreciation			
Balance at 1 April 2020	172	1,494	1,666
Charge for the year	62	380	442
Disposals	-	-	-
Balance at 31 March 2021	234	1,874	2,108
Net Book Value at 31 March 2021	115	1,751	1,866
Net Book Value at 31 March 2020	164	975	1,139

16. FIXED ASSET INVESTMENTS

(a) Consolidated	Investment Properties	Salvation Army Common Investment Funds		Unlisted Investments	Subsidiaries Listed Investments	Total
		Fund 1	Fund 2			
		£000	£000	£000	£000	£000
Market Value at 1 April 2020	13,856	4,315	138,555	10,282	1,536	168,544
Acquisitions	-	-	-	225	1,271	1,496
Gain/(Loss)	(1,310)	961	35,105	1,792	(17)	36,531
Disposals	(563)	-	-	-	(725)	(1,288)
Market Value at 31 March 2021	11,983	5,276	173,660	12,299	2,065	205,283
Historical Cost at 31 March 2021	307	2,963	96,700	9,484	3,266	112,720

(b) Trust	Investment Properties	Salvation Army Common Investment Funds		Unlisted Investments	Subsidiaries Listed Investments	Total
		Fund 1	Fund 2			
		£000	£000	£000	£000	£000
Market Value at 1 April 2020	13,856	4,315	138,555	10,282	3,467	170,475
Acquisitions	-	-	-	225	1,500	1,725
Gain/(Loss)	(1,310)	961	35,105	1,792	-	36,548
Disposals	(563)	-	-	-	-	(563)
Market Value at 31 March 2021	11,983	5,276	173,660	12,299	4,967	208,185
Historical Cost at 31 March 2021	225	2,963	96,700	9,484	4,967	114,339

Unlisted Investments represent a 20% holding in William Leech (Investments) Limited. It is not considered to be an associated company and is valued in both the Trust and Consolidated Balance Sheets at share of underlying net assets which equates to its fair value.

	2021 £000	2020 £000
William Leech (Investments) Limited	12,297	10,280
Other	2	2
	12,299	10,282

Subsidiaries are accounted for at cost in the Trust Balance Sheet. The Consolidated Balance Sheet includes the subsidiaries' own listed investments.

Common Investment Funds

The Salvation Army Common Investment Funds hold a wide range of investments. The principal categories of investment and the relevant percentages held at the year-end were as follows:

	Fund 1	Fund 2
Cash	3%	23%
UK Equities	11%	9%
UK Property Funds	8%	8%
Overseas Investments	78%	81%

17. DEBTORS

	Consolidated		Trust	
	2021	2020	2021	2020
	£000	£000	£000	£000
Connected Salvation Army Trusts and Companies	5,775	3,897	11,040	4,778
Taxation recoverable	907	1,729	437	1,729
Prepayments and accrued income	24,847	24,123	21,644	23,633
Other Debtors	18,204	19,083	5,361	5,036
	49,733	48,832	38,482	35,176

Included in accrued income above is an amount of £4,108k (2020: £4,108k) which is the deferred consideration due in connection with the sale of shares in Reliance Bank in 2018/19 and which is receivable after more than one year.

18. CREDITORS: amounts falling due within one year

	Consolidated		Trust	
	2021	2020	2021	2020
	£000	£000	£000	£000
Loans repayable within one year (secured)	49	52	49	52
Connected Salvation Army Trusts and Companies	-	-	5,265	881
Tax and Social Security	-	1,889	-	1,126
Creditors and Accruals	33,651	32,463	10,564	11,553
	33,700	34,404	15,878	13,612

19. CREDITORS: amounts falling due after one year

	Consolidated		Trust	
	2021	2020	2021	2020
	£000	£000	£000	£000
Bank Loans (secured)	510	564	510	564
Pension Provision	-	3,348	-	3,348
	510	3,912	510	3,912

	Consolidated		Trust	
	2021	2020	2021	2020
	£000	£000	£000	£000
Bank Loans				
<i>Repayable by instalments</i>				
Within one year	49	52	49	52
More than one year less than five years	170	181	170	181
More than five years	340	383	340	383
	559	616	559	616

	Consolidated		Trust	
	2021	2020	2021	2020
	£000	£000	£000	£000
Pension Provision				
Balance Brought Forward	3,348	6,765	3,348	6,765
Contributions paid	(4,000)	(4,000)	(4,000)	(4,000)
Interest on pension obligation	31	122	31	122
Change in assumptions	-	461	-	461
Contributions paid in advance	621	-	621	-
	-	3,348	-	3,348

20. ENDOWMENTS (Consolidated and Trust)

	Balance 1 April 2020	Movement in Funds Income & Gains/(Losses)	Balance 31 March 2021
	£000	£000	£000
Permanent Endowments			
E.S. Brant	2,082	17	2,099
Sir James Reckitt Trust	486	245	731
W.J. Davis Trust	1,076	108	1,184
Other	630	591	1,221
	4,274	961	5,235
Expendable Endowments			
William Leech Fund	10,299	2,018	12,317
Total	14,573	2,979	17,552

The E.S. Brant Fund was formerly a separate Salvation Army Trust. Its purpose is evangelical work.

The Sir James Reckitt Fund was set up in 1916 for the benefit of the work of The Salvation Army in Hull. By administrative decision, the income is allocated as to 7/8ths for corps purposes and 1/8th for Men's Social Work.

The W.J. Davis Fund was set up in 1991 to support the work of the Midnight Patrol and the annual income is transferred to the Social Trust to fund this work.

The William Leech Fund was initially set up in 1955 with annual donations thereafter. It is represented by a 20% holding of shares in William Leech (Investments) Limited, with the other shares held equally by four other Christian charities. The annual income is transferred to The Salvation Army International Trust as part of the United Kingdom Territory's contribution to the International Self-Denial Fund to help fund work in developing countries.

31 March 2020

	Balance 1 April 2019	Movement in Funds Income & Gains/(Losses)	Balance 31 March 2020
	£000	£000	£000
Permanent Endowments			
E.S. Brant	2,295	(213)	2,082
Sir James Reckitt Trust	536	(50)	486
W.J. Davis Trust	1,188	(112)	1,076
Other	696	(66)	630
	4,715	(441)	4,274
Expendable Endowments			
William Leech Fund	11,574	(1,275)	10,299
Total	16,289	(1,716)	14,573

21. RESTRICTED PROPERTY FUND (Consolidated and Trust)

Funding of properties for charitable purposes

	Balance 1 April 2020 £000	Movement in Funds Income & Transfers £000	Expenditure £000	Balance 31 March 2021 £000
Consolidated and Trust	321,395	20,643	(9,978)	332,060

31 March 2020

	Balance 1 April 2019 £000	Movement in Funds Income & Transfers £000	Expenditure £000	Balance 31 March 2020 £000
Consolidated and Trust	308,478	24,745	(11,828)	321,395

22. OTHER RESTRICTED FUNDS (Consolidated and Trust)

	Balance 1 April 2020 £000	Movement in Funds Income & Transfers £000	Expenditure & Transfers £000	Balance 31 March 2021 £000
Corps funds	48,157	33,308	(31,296)	50,169
Legacy reserves	77,028	8,646	(12,116)	73,558
Trust funds	2,079	612	(317)	2,374
Specific donations	9,259	10,045	(8,757)	10,547
Consolidated and Trust	136,523	52,611	(52,486)	136,648

31 March 2020

	Balance 1 April 2019 £000	Movement in Funds Income & Transfers £000	Expenditure & Transfers £000	Balance 31 March 2020 £000
Corps funds	48,860	45,996	(46,699)	48,157
Legacy reserves	75,067	13,183	(11,222)	77,028
Trust funds	2,555	274	(750)	2,079
Specific donations	11,875	4,001	(6,617)	9,259
Consolidated and Trust	138,357	63,454	(65,288)	136,523

23. UNRESTRICTED FUNDS (Consolidated and Trust)

	2021 £000	2020 £000
Designated Funds (i)	158,462	115,498
General Reserve (ii)	42,135	21,510
Trust	200,597	137,008
Non-charitable Trading Funds (iii)	19,624	21,661
Consolidated	220,221	158,669

i. Designated Funds

The Unrestricted Funds of The Salvation Army include the following designated reserves which have been set aside by the directors for specific purposes:

	Balance 1 April 2020 £000	New Designations £000	Utilised/ Realised £000	Balance 31 March 2021 £000
Property Purposes	48,317	5,000	2,422	55,739
Investment Property Unrealised Gains	13,856	-	(1,873)	11,983
Other Investments Unrealised Gains	36,140	-	34,151	70,291
Pension Reserve	(3,348)	-	3,969	621
DHQ Reserves	5,295	-	768	6,063
Other	15,238	-	(1,473)	13,765
	115,498	5,000	37,964	158,462

ii. General Reserve

This is required to fund the day-to-day needs of The Salvation Army.

iii. Non-Charitable Trading Funds

This represents the profits retained in the trading subsidiaries to provide the working capital for their trading operations and capital for the long-term development of their businesses

31 March 2020	2020 £000	2019 £000
Designated Funds (i)	115,498	137,635
General Reserve (ii)	21,510	20,352
Trust	137,008	157,987
Non-charitable Trading Funds (iii)	21,661	19,166
Consolidated	158,669	177,153

Designated Funds

	Balance 1 April 2019 £000	New Designations £000	Utilised/ Realised £000	Balance 31 March 2020 £000
Property Purposes	71,008	-	(22,691)	48,317
Investment Property Unrealised Gains	13,525	-	331	13,856
Other Investments Unrealised Gains	48,330	-	(12,190)	36,140
Pension Reserve	(6,765)	-	3,417	(3,348)
DHQ Reserves	5,489	-	(194)	5,295
Other	6,048	6,256	2,934	15,238
	137,635	6,256	(28,393)	115,498

24. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

Fund Balances at 31 March 2021 are represented by:

	Endowment Funds £000	Restricted Funds Property £000	Other £000	Unrestricted Funds £000	Total Funds £000
Intangible assets	-	-	-	1,608	1,608
Fixed assets	-	332,965	-	13,455	346,420
Investments	17,552	-	86,477	101,254	205,283
Current assets	-	(343)	50,171	37,552	187,380
Current liabilities	-	(52)	-	(33,648)	(33,700)
Long-term liabilities	-	(510)	-	-	(510)
Total Net Assets	17,552	332,060	136,648	220,221	706,481

Fund Balances at 31 March 2020 are represented by:

	Endowment Funds £000	Restricted Funds Property £000	Other £000	Unrestricted Funds £000	Total Funds £000
Intangible assets	-	-	-	2,904	2,904
Fixed assets	-	328,155	-	12,987	341,142
Investments	14,573	-	88,380	65,591	168,544
Current assets	-	(6,144)	48,157	114,873	156,886
Current liabilities	-	(52)	(14)	(34,338)	(34,404)
Long-term liabilities	-	(564)	-	(3,348)	(3,912)
Total Net Assets	14,573	321,395	136,523	158,669	631,160

25. CAPITAL COMMITMENTS

The directors are continuing the process of refurbishing and developing Salvation Army properties. At the Balance Sheet date contractual obligations entered by The Salvation Army Trust in respect of property capital schemes amounted to £64.9m (2020: £41.1m).

26. FINANCIAL COMMITMENTS

As at 31 March 2021 the total annual commitments under non-cancellable operating leases on vehicles and equipment and land and buildings, are as follows:

	2021		2020	
	Land and Buildings £000	Vehicles and Equipment £000	Land and Buildings £000	Vehicles and Equipment £000
Expiring within 1 year	4,827	170	4,800	565
Expiring between 2 and 5 years	10,522	1,823	9,516	2,391
Expiring in over 5 years	3,006	-	230	-
	18,355	1,993	14,546	2,956

27. RELATED PARTY TRANSACTIONS

The Salvation Army Trust supports the work of other connected Salvation Army trusts through the payment of grants and these are set out in Note 8. Grants of £3.1 million were paid to The Salvation Army International Trust and overseas Salvation Army territories (2020: £2.9 million) and a grant of £16 million was paid to The Salvation Army Social Work Trust (2020: £16 million).

An overhead recharge was charged to The Salvation Army Social Work Trust during the year, representing that Trust's share of central overhead costs, specific to The Salvation Army Social Work Trust which were incurred by The Salvation Army Trust. In addition, recharges were charged to The Salvation Army Social Work Trust for hire of rooms at corps premises.

The Salvation Army Trust uses the banking services of Reliance Bank Limited which is a subsidiary of The Salvation Army International Trust. At the year end The Salvation Army Trust held balances of £111.7 million with Reliance Bank (2020: £93.3 million). Interest was earned on deposit balances on a normal commercial basis.

28. RECONCILIATION OF NET MOVEMENT OF FUNDS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2021 £000	2020 £000
Net Movement in Funds	75,321	(9,117)
Losses/(Gains) on Investments	(36,531)	14,422
Depreciation: Properties	7,988	7,712
Depreciation: Motor Vehicles and Equipment	2,295	2,470
Amortisation of Goodwill	1,296	1,272
Gain on Disposal of Properties	(14,130)	(10,669)
Investment Income	(2,846)	(5,216)
Decrease in Stocks	77	13
Increase in Debtors	(901)	(5,406)
(Decrease) in Creditors	(701)	(1,349)
(Decrease) in Pension provision	(3,348)	(3,417)
	(46,801)	(168)
Net Cash Inflow/(Outflow) from Operating Activities	28,520	(9,285)

29. CONTINGENT GAIN

The United Kingdom & Ireland Territorial Headquarters (THQ) building at 101 at Newington Causeway is being sold to a developer and will be vacated in early 2024. The sale is conditional on the developer obtaining a planning permission for the project. If granted, the possible gain on the sale will be approximately £41m. The new THQ building will be funded from the proceeds from the sale of the current THQ.

30. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITY

As required by FRS 102 the SOFA set out below is the full analysis for the 2020 comparative.

	Endowment	Restricted	Unrestricted	2020 Total
	£000	£000	£000	£000
INCOME AND ENDOWMENTS FROM				
Donations, Legacies and Grants				
Legacies	-	13,777	39,195	52,972
Donations - Public	-	10,689	47,565	58,254
Donations - Members	-	18,813	151	18,964
Grants	215	2,318	-	2,533
Trading Activities	-	14,633	76,564	91,197
Associated Company	-	4,602	614	5,216
Investments	-			
Other				
Gain on disposal of property	-	-	10,669	10,669
Other Income	-	846	171	1,017
Total Income	215	65,678	174,929	240,822
EXPENDITURE				
Raising Funds				
Costs of raising donations, legacies and grants	-	147	11,892	12,039
Costs of trading activities	-	7,908	74,130	82,038
	-	8,055	86,022	94,077
Charitable Activities				
Church and Evangelism Programmes	-	28,615	20,106	48,721
Community Programmes	-	41,790	21,065	62,855
International Programmes	-	2,855	3,071	5,926
Training Programmes	-	18	5,268	5,286
Youth and Young People's Programmes	-	-	2,652	2,652
Grant to the Salvation Army Social Work Trust	-	-	16,000	16,000
	-	73,278	68,162	141,440
Total Expenditure	-	81,333	154,184	235,517
Gains/(Losses) on Investments	(1,931)	(205)	(12,286)	(14,422)
Gain/(Loss) on sale of Associate	-	-	-	-
Net Income/(Expenditure)	(1,716)	(15,860)	8,459	(9,117)
Transfer between funds	-	26,943	(26,943)	-
NET MOVEMENT IN FUNDS	(1,716)	11,083	(18,484)	(9,117)
Fund balances brought forward	16,289	446,835	177,153	640,277
Fund balances carried forward at 31 March 2020	14,573	457,918	158,669	631,160



Charity Registration No: 214779 Scottish Charity Registration No: SC009359

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