

Company number: 01157482

Charity number: 267116

# PORCHLIGHT LIMITED

Report and financial statements

For the year ended 31 March 2025

Contents

For the year ended 31 March 2025

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Reference and administrative information .....	1
Trustees' annual report (including the strategic report) .....	3
Independent auditor's report .....	27
Statement of financial activities (incorporating an income and expenditure account) .....	32
Balance sheet .....	33
Statement of cash flows .....	34
Notes to the financial statements .....	36

## PORCHLIGHT LIMITED

### Reference and administrative information

For the year ended 31 March 2025

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Company number	01157482
Country of incorporation	United Kingdom
Charity number	267116
Country of registration	England & Wales

**Registered office and operational address** 15 New Town Street, Canterbury, Kent, CT1 1BX

### Trustees

Trustees, who are also directors under company law, who served during the year and up to the date of this report were:

Patrick Fuller (Chair)	
Anne Chapman (Vice Chair)	
Anna Linstead (Treasurer)	Appointed – 29 January 2025
Timothy Child	
Thomas Evans	
Stephanie Goad	
Dr Jenny Robson	
Dr Nicholas Ward	
Thomas Abbott	
Claire Ellis-Waghorn	
Danica McLean	
Adam Lott	Resigned – 9 October 2025
Emily Vince	Appointed – 19 March 2025
Bernadette Coady-Mayall	Appointed – 21 July 2025
Hilary Edridge	Resigned – 30 November 2024
David Leah	Resigned – 26 March 2025
Neil Oldfield	Resigned – 14 June 2024

<b>Key management personnel</b>	Patrick Fuller	Chair of the Board of Trustees
	Tom Neumark	Chief Executive Officer and Secretary
	Catherine Keen	Chief Finance and Operating Officer
	Sarah Dennis	Director of Human Resources
	Julia Hargreaves	Director of Services
	Adam Colthorpe	Director of Development and Innovation / Income Generation and Communications

<b>Bankers</b>	Unity Trust Bank Four Brindley Place Birmingham B1 2JB
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## **PORCHLIGHT LIMITED**

### **Reference and administrative information**

**For the year ended 31 March 2025**

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**Solicitors**                      Knights Professional Services Limited  
The Brampton  
Newcastle-under-Lyme  
Staffordshire  
ST5 0QW

**Auditor**                         RSM UK Audit LLP  
Portland  
25 High Street  
Crawley  
West Sussex  
RH10 1BG

The trustees present their report and the audited financial statements for the year ended 31 March 2025.

Reference and administrative information on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

## **Introduction from the Chair**

As Chair of Porchlight, I am proud to present this year's trustee report, a year in which we celebrated Porchlight's 50<sup>th</sup> anniversary, an impressive track record of sustained support and innovation.

In the past year, we were delighted to launch innovative new services, including personal budgets for people experiencing homelessness and partnering with JP Morgan's Force for Good Project team to improve digital signposting for people who need information about local services. In total, we supported over 5,500 people across Kent, offering outreach, mental health support, housing, and services for children and young people. Our services are high quality, with 85% of people saying they would recommend them to others.

It was a year which reflected both the resilience and determination of our charity in the face of significant challenges which have tested our sector, our organisation, and the people we support—and it demonstrated the strength of our mission and the unwavering commitment of our staff, volunteers, and supporters.

Porchlight operates in a context of rising homelessness, increasing mental health needs, and tight public sector budgets. In March 2025, 194 people were seen sleeping rough across Kent and Medway—an 11% increase from the previous year. Thousands of households, including children, remain in temporary accommodation and Kent social care is seeing dramatic growth in demands relating to mental health. These figures are not just statistics; they represent lives in crisis and communities under strain.

In response to these pressures and following the withdrawal of funding by Kent County Council, we took the decision to invest a portion of our reserves to maintain our homelessness services in the short term. This was not a decision taken lightly. It reflects our values and our belief that no one should be left without support. This strategic use of reserves allowed us to continue delivering vital services, whilst redesigning our approach to support, and gave us time to develop an Organisational Stability Plan.

We know that the road ahead will not be easy. But we are confident in our direction. Our plan is already delivering results, and we are focused on building our resilience, and continuing to provide person-centred, effective support.

None of this would be possible without the extraordinary efforts of our staff, volunteers, and supporters. Your dedication, compassion, and belief in our mission have carried us through and positioned us for a brighter future. On behalf of the board of trustees, I offer my heartfelt thanks.

Together, we remain committed to our vision of a safe home, better life and fairer future for everyone.

**Patrick Fuller**

Chair of the Board of Trustees

Porchlight

## Objectives and activities

### Purposes and aims

Porchlight's objects as outlined in the memorandum and articles of association are:

- 1) The relief of poverty, sickness and old age in particular (but without in any way limiting the generality of the foregoing words) for the relief of poverty of persons who by reason of mental or physical infirmity are unable to fulfil their duties as citizens or their obligations to their employers.
- 2) The relief of those in need by reason of youth, age, ill-health, disability or financial hardship in particular by the provision of social housing, hostels, other housing accommodation and any associated amenities, services, advice, advocacy, training or assistance.
- 3) The advancement of public education in (including research and disseminating the useful results of that research into) the provision of housing and housing related services to those in need.

### Vision and mission

Porchlight's vision is a safe home, better life and a fairer future for everyone. We were founded to help people facing the devastating effects of homelessness. Today, we also tackle the causes and consequences of poverty and inequality.

#### Our mission:

**We're here for people when it matters most.**

- Everybody deserves to have someone on their side when life gets tough.
- We draw on decades of experience to help people facing poverty, and inequality in health and housing.

**We offer safety, stability and respect.**

- When someone needs help, they may be facing lots of different issues.
- We create a safety net so everyone can find the support that's right for them.

**We empower people to live the life they want.**

- Empowering people so they can thrive takes care, compassion and understanding.
- We help people see their strengths and connect with others to build the future they want.

**Together, we fight for lasting change.**

- Poverty, health and housing injustice are complex problems affecting millions of lives. They are also avoidable.
- We work to improve understanding of the issues and find sustainable solutions to rebalance an unfair system.

### Public benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing Porchlight's aims and objectives and in planning its future activities. In particular, trustees consider how planned activities will contribute to Porchlight's set aims and objectives. The trustees are confident that Porchlight meets the Public Benefit requirements.

## Strategic report

Porchlight prides itself on being there for people when they need us most. In the past year, we were delighted to launch innovative new services, including personal budgets for people experiencing homelessness and to partner with JP Morgan's Force for Good Project team to improve digital signposting for people who need information about local services. We supported over 5,500 people across Kent, offering outreach, mental health support, housing, and services for children and young people. Our services are high quality, with 85% of people saying they would recommend them to others.

There are an increasing number of people experiencing homelessness. At the same time government funding for homelessness services is being reduced. Following cuts to our funding made by Kent County Council, trustees decided to invest a portion of our reserves into maintaining our homelessness services. This short-term measure enabled us to continue supporting people in the immediate who would otherwise have experienced hardship, including sleeping rough on the streets.

This gave us the opportunity to redesign our approach and deliver our organisational stability plan. The plan provides us with a long term sustainable financial future which ensures that we continue to be there for our beneficiaries.

## A challenging operating environment

Porchlight is a major Kent mental health and homelessness charity with demand for our services on the increase:

- In March 2025, 194 people were seen sleeping rough across Kent and Medway, an 11% increase from the same period a year before.
- On 31 December 2024, there were 3,038 households (including 3,821 children) living in temporary accommodation across Kent and Medway.
- In the five years to 2023, Kent social care saw a 60% growth relating to mental health.

Porchlight aims to be here for people when it matters most, by tackling the causes and consequences of poverty and inequality. But these are challenging times for charities like ours. Across the county, there is an increasing number of people who need our help. At a time when fewer people are donating to charities, local authority budgets are coming under significant pressure, and costs continue to increase.

For Porchlight, operating in Kent presents the following specific challenges:

### ***More people are experiencing mental health problems***

Kent is seeing increasing rates of serious mental illness and since 2012, the county's suicides rates have increased above the England average.

### ***The number of people sleeping rough is increasing***

194 people were seen sleeping rough across Kent and Medway in March 2025, an 11% increase on the number seen in March 2024.

## A challenging operating environment (continued)

### *Existing services are stretched*

A combination of high demand and tight budgets has led to many of the complementary services our clients rely on either closing or restricting what they offer by increasing eligibility criteria and imposing more rigorous assessment processing. This means that many people who are experiencing homelessness and poverty have found it harder or impossible to access specialist services.

### *Funding is tighter than it ever has been*

Charities working in social care are finding it harder to raise funds and cover expenses. The increase in employer National Insurance contributions put additional pressure on budgets at a time when statutory commissioners are offering no increases and only providing short-term contracts. Fewer people are donating to charities. Many traditional supporters of charities continue to rebuild their funds post Covid and are restricting the grants they make available.

In the face of these challenges, we have sought to maintain vital services over the short term, even if they were unfunded, to put our sustainability plan in place and to ensure people receive much needed support.

As part of our plan we are taking decisive steps to future-proof our services, ensuring we can continue to support people for years to come. We will not jeopardise our ability to continue to provide support to those who need it most.

Having made these difficult decisions and with our plan in place, we are confident that we have the strong financial foundations needed to grow and deliver quality services reflecting the increasingly challenging external funding environment.

## Continuing to provide quality services

Our strategic objectives are:

1. People can access a better and fairer system of services and support.
2. People can find the support that's right for them when it matters most.
3. People are empowered to live the life they want and make lasting change.

To achieve our objectives, we provide a range of services, including community-based mental health support, homelessness outreach support for people sleeping rough, supported housing and support for children and young people.

## Achievements in 2024–25

### We enhanced our service delivery models:

- Implemented the Porchlight Serious Incident Response Framework to ensure that we have a learning culture and are able to identify necessary changes, after serious incidents.
- Strengthened and reviewed our organisation-wide approach to assessment, support and safety planning, ensuring we are able to capture and share learning from across our services.

### We supported thousands of people across Kent:

We supported 5,562 people who were experiencing either homelessness or mental health problems.

Service	Number of people supported
Mental health services	3,772
Outreach	440
Supported housing	313
Children and young people	636

The backgrounds and characteristics of the people we supported are broadly representative of the population within Kent who can benefit from the support that we offer.

Gender	Female	51%
	Male	45%
	Declined to say	4%
Age	Under 18	14%
	18–25	15%
	26–35	20%
	36–45	18%
	46–55	16%
	56–65	13%
	66+	4%
Disabled		75%

## Achievements in 2024–25 (continued)

### Our services are high quality and the people who use them rate them highly

Most people who use our services would recommend them to friends or family, if they also needed support. The majority told us they were involved as much as they wanted to be and trusted their support worker all of the time.

% who would recommend the service to a friend or family member who needs support	85%
% who were involved as much as they wanted to be in their support?	77%
% who have confidence and trust in their support worker?	82%

These scores are reflected in our own internal audits, which consistently find that our support is of high quality.

### Our accommodation is safe and well run

All of our housing assets met core regulatory requirements and safety standards. All complaints were resolved within 14 days.

We have work to do to increase the performance of our responsive and emergency repairs, but this year, like many in the housing sector, we have faced challenges with recruitment as well as contractor availability. We have put a new asset management plan in place to address emergency repairs performance and are currently reviewing our approach to housing leadership which will improve performance going forward.

	Target	Q1	Q2	Q3	Q4
% target for responsive repairs within 28 days per quarter	100%	74%	85%	86%	84%
% target for emergency repairs within 24 hours per quarter	100%	63%	79%	76%	64%

At some points during 2024/25, voids in our supported accommodation underperformed against our internal targets. This happened because we were negotiating the ongoing model for these units. Once these negotiations were complete, we were able to move people into our homes, and void rates started to improve – dropping to 10% in Q4 24/25.

## **Achievements in 2024–25 (continued)**

### **Our services support people to improve their situation**

In addition to helping people find accommodation, we help them improve their life in all areas.

To measure the extent that people have improved their situation, we use the DIALOG scale, a tool which is widely used across the NHS and beyond. People score their satisfaction with eight life domains and three support aspects on a 7–point scale. The scale has been shown to have good psychometric properties. Using this tool, we found that:

- Of the people who use all our services: 73% improved and 17% maintained their score.
- Of the people who used our mental health services, 72% improved and 18% maintained their score.
- For our children and young people's services we use the evidence-based "Good Childhood Index Life Satisfaction" tool, which is more appropriate for this group. Using this tool, we found that 73% increased their wellbeing score, after using our services.
- 72% of people who stayed in our supported housing moved on to sustainable long-term accommodation. Just 21% returned to the streets or insecure housing. We have reviewed national data around this and although like for like comparisons are difficult due to geographical variations, our performance is in line with national statistics.
- 80% of people supported by our outreach services had a positive outcome: 25% of them accessed appropriate short-term accommodation, 38% accessed sustainable long-term accommodation and 17% sustained an existing tenancy.

### **Finding innovative ways to support people**

In 2024–25, we introduced additional services aimed at improving the life chances of our clients:

- We worked in partnership with Greater Change on a trial scheme that looked into the effects of giving people who are homeless more financial support. It's a randomised controlled trial which compares outcomes from people who receive personalised budgets of up to £4,000 with those from an otherwise identical group who don't. Aside from the overwhelming impact on the 50+ people we provided life changing support to, we were also highlighted as the most effective delivery partner of this trial and will host a wrap up event.
- We are one of the lead providers for the new Mental Health Together service. It's a new, transformative integrated model with the local mental health trust, designed to support people with complex mental health needs. It takes a more holistic approach to ensure people get the right support when needed across mental health pathways.

## **Achievements in 2024–25 (continued)**

### **Finding innovative ways to support people (continued)**

- We secured funding for 2025–26 for our supported accommodation in Thanet, Canterbury and Dover. We do not yet have a long-term funding solution for our Folkestone properties which are currently grant-funded. However, we are confident that this will soon be resolved.
- We worked with JP Morgan's Force for Good Project team to improve digital signposting for people who need information about local services.
- We led on developing a Making Every Adult Matter (MEAM) approach in Thanet. This was part of a Kent-wide initiative, setting out the systems and structures for the role which will benefit people facing multiple disadvantages.
- We are implementing a Housing First model in collaboration with the Housing First Foundation. The new service in Canterbury will go live in late 2025 and be our first housing first service independent of local authority funding.

## **Future plans**

We have four organisation-wide priorities aimed at ensuring Porchlight delivers its vision whilst mitigating risk:

- Implementing our strategy – ensuring that we are only focused on what matters.
- Involvement – providing people who use or have used our services with opportunities to participate in all aspects of our organisation including decision making, volunteering and fundraising.
- Equality, diversity and inclusion – creating a more inclusive environment for our workforce, clients and the wider community.
- Stakeholder engagement – using a planned approach to attract new supporters and work with commissioners, statutory and voluntary sector partners across Kent and southeast London.

## **Priorities for our services**

Continuing to deliver excellent services remains our priority. While some of our services may evolve, we will use our valuable resources to help people we work with to achieve their goals – when and where this is needed most. We will:

- deliver high quality, effective, safe and sustainable services with a particular focus on person-centred support.
- measure and evidence the intended outcomes of our services.
- provide high quality, safe and financially sustainable housing.

## **Priorities for our people**

Our workforce is pivotal to the support we provide and the experiences of our clients. Our staff have continued to provide excellent services whilst experiencing change in recent years. We have learnt from this and will continue to engage our staff and volunteers in the delivery of our sustainability plan. To continue ensuring our workforce excels in providing high-quality services we will:

- continue to offer support and guidance to our workforce through periods of change.
- aim to attract, develop and retain the best people.
- review our approach to wellbeing, volunteering and recognition (including benchmarking our salaries).

## Future plans (continued)

### Our financial strategy

For the past two years we have strategically used Porchlight's reserves to continue to deliver support while we transitioned our homelessness services. This was a temporary measure, and our focus now is on building Porchlight's financial resilience to rebuild our financial foundation. We will:

#### *Increase our income by:*

- Retaining and growing our network of supporters through communications and stewardship that focusses on relevance and resonance.
- Maintaining good relationships with key strategic partners including:
  - Local authorities in Kent who are responding to homelessness in their areas.
  - Live Well Kent and Medway commissioners and delivery partners.
  - The Housing First Foundation to set up Housing First properties for Housing First.
  - East Kent Health and Care Partnership through Pathways – the hospital step-down and the health and housing project.
  - Kent and Medway NHS and Social Care Partnership (KMPT) through our Mental Health Together service.
- Ensuring the financial sustainability of our accommodation-based services through appropriate rent levels, securing support contracts, and minimising voids and arrears.

#### *Control our costs by:*

- Restructuring our services so that they are individually financially sustainable, ensuring that all commissioned services cover both direct costs and the central support costs required to deliver them.
- Reviewing our central support services and office use to ensure they are proportionate to our operational activities and are aligned to our objectives.

## **Financial review**

The results for the year are set out in the Statement of Financial Activities. The assets and liabilities of the charity at 31 March 2025 are shown in the Balance Sheet. The financial statements should be read in conjunction with their related notes.

### **Income**

Total income fell from £12.602 million in 2023–24 to £10.409 million in 2024–25 – a fall of 17%. Whilst income from donation and legacies increased by £0.348 million, the main change was the fall in income from charitable activities from £10.746 million to £8.242 million.

Grant income fell by £3.099 million across both homelessness and mental health services following the decommissioning of services, although the reduction in mental health services was offset by the newly awarded Mental Health Together contract currently valued annually at £0.862 million, generating £0.268 million in 2024–25.

The reduction in grant income was offset in part by inflationary increases in rents and service charges receivable from property (£0.632 million). In 2024–25, supported by an independent consultancy, we reviewed our approach to rent and service charge setting, linked to Enhanced Housing Benefit regulations which aims to maximise property income. In 2025–26, we forecast that this will increase rent and service charge income by approximately 40%.

### **Expenditure**

Although our income fell 17% in 2024–25, our expenditure fell by 9.6% from £13.071 million to £11.813 million. This reflects our decision to utilise Porchlight's reserves to temporarily support service delivery after the withdrawal of funding by commissioners.

Porchlight's biggest area of expenditure is staff costs. These increased over the year by 2.7% to £6.642 million from £6.465 million. 2024–25 expenditure included £0.724 million of designated reserves, £0.650 million of which was to support ongoing delivery of homelessness services while we transitioned to new service models, involving restructuring both direct service and overhead staff teams. This process was substantially completed in 2025–26 and the designated funds utilised in full.

The biggest fall in expenditure was in payments to our delivery network partners (sub-contractors). These fell from £3.210 million in 2023–24 to £1.423 million in 2024–25 reflecting the decommissioning of contracts in previous years.

In the accounts to 31 March 2025, we have set aside £120k for dilapidation costs associated with the closure of our Head Office in Watling Street in September 2025.

The organisational stability plan will continue on a smaller scale into 2025–26 as we continue to ensure that all our contracts are individually sustainable and that our overheads are appropriate for the underlying contractual activity.

## Annual surplus

Historically, Porchlight has delivered annual surpluses in the region of 4 – 6% of income. However, as a result of our investment in maintaining services, there has been two consecutive years of deficits.:

Year	Net unrestricted income / (expenditure)	Net restricted income / (expenditure)	Total	Net income / (expenditure) as a % of total income
2020–21	£514k	£69k	£583k	4.6%
2021–22	£625k	£235k	£860k	6.4%
2022–23	£796k	(£146k)	£650k	4.7%
2023–24	(£492k)	(£53k)	(£545k)	(4.3%)
2024–25	(£1,504k)	£100k	(1,404k)	(13.5%)

The 2024–25 deficit of £1,404k is in line with expectations when Trustees agreed the use of reserves to continue to support services. As the underlying use of reserves to support services has now come to an end, the work of our organisational stability plan in 2024–25 was focussed on restructuring our cost base to ensure the viability of individual contracts and of the organisation. We are now striking a sustainable balance between maximising our impact and ensuring our long-term survival.

Trustees have set a target of returning surpluses to pre 2023–24 surplus levels and have approved a budget for 2025–26 which is forecast to deliver a surplus for the organisation and commence the process of rebuilding reserves.

## Balance sheet

Despite the reduction in reserves, the balance sheet remains positive with net assets of £2.599 million, down from £4.004 million last year. Fixed assets of £2.080 million include unencumbered freehold assets of £1.590 million and £490k of investment properties which arose from the generous donation of two properties by Dr Pat Chipping. All freehold assets are available for disposal or as security to raise finance should the need arise.

Net current assets are £647k. Cash balances remained positive, at £646k which was down from £1.623 million last year. To support working capital during the year, we negotiated a loan from Big Issue Invest for £200,000 repayable over 3 years. This loan may be repaid early at no penalty.

Rebuilding liquid reserves remains a key focus for the organisation. Cash flow is closely monitored and is reviewed by trustees quarterly. We have established good relations with commissioning partners and local housing benefit teams to minimise delays in income collection and sustain cash flow. This is reflected in the reduction of debtors from £1.954 million at 31 March 2024 to £1.172 million at 31 March 2025.

## **Pensions**

All staff are entitled to join Porchlight's defined contribution scheme operated by AEGON. New employees are automatically enrolled on joining. Porchlight will match any employee contributions up to 7%, subject to maintaining minimum contribution levels under pensions' legislation. Employees are entitled to opt out but less than 5% of staff have done so.

## **Investment policy**

During the year, Porchlight disposed of its investment property realising £305k against a carrying value of £325k which supported liquidity in the year. Trustees have also agreed to the further disposal of a leasehold property, which has been transferred to property for sale and for which a sale has been completed in August 2025 at close to net book value.

As noted above, 2 properties were donated to the charity in 2024–25 with an estimated value of £490,000 which are currently being rented pending future potential disposal.

## **Principal risks and uncertainties**

The board of trustees is responsible for ensuring that Porchlight has systems of internal control that are appropriate to the external environment in which we operate. These enable us to manage (rather than eliminate) risks and provide a reasonable, but not necessarily absolute, degree of assurance.

Porchlight's operating model has relied on income generated from contracts awarded by commissioning partners. These are awarded for a fixed number of years and are subject to retendering at various intervals. Therefore, they cannot be guaranteed in the longer-term.

Historically, rents and service charge income has also been linked to commissioned contracts, however during 2024–25, we undertook a review of charges to make our accommodation services more financially viable if grants from commissioners reduce further or come to an end.

The commissioning environment can provide opportunities for Porchlight. Contracts currently provided by others may also put out of tender, giving us the potential to increase our contract base. NHS plans to increase service delivery within the voluntary sector also offers opportunities.

Fundraising activities bring added value initiatives which directly support our clients and provide core unrestricted income.

## **Approach to risk management**

Porchlight operates both a bottom-up and top-down approach to risk management. Operational services develop their own risk management plans which inform our strategic risk register. The strategic risk register defines risks that have the potential to seriously affect Porchlight's ability to continue operating as an independent organisation. Risks can be added or deleted depending on changes to the environmental assessment.

For 2024–25 the top risks were identified as:

- client Risk Management failure of a significant nature by the Charity
- health & safety failure of a significant nature by the Charity
- physical & mental health, or wellbeing failure of a significant nature affecting the workforce
- remaining financially viable – managing costs
- remaining financially viable – securing alternative income
- maintaining and building staffing capacity and capability
- building leadership resilience and continuity
- remaining relevant to our key clients and stakeholders
- exploring new models of service provision
- gaining suitable leverage from collaboration and partnerships
- successful/serious cyber security attack
- serious data breach
- unable to sufficiently build the Charity brand and profile

Trustees receive detailed updates on these areas at each of their board meetings. These include a review of internal / external challenges, relevant KPIs and any independent third-party information. This ensures the board is sighted on major risk areas likely to affect Porchlight.

## **Controls**

The board of trustees have put appropriate procedures and controls in place to adequately mitigate against the various risks Porchlight faces. These include:

- an organisational set of values which commits us to managing the organisation's affairs with integrity.
- operational services having clear local plans to manage risk, linked to annual business plans.
- the risk assessment process embedded in a comprehensive business planning process.
- an agreed quality strategy.
- robust budgeting and quarterly review and reporting of financial performance.
- appropriate authorisation levels and segregation of accounting duties.
- clear staff roles, responsibilities and accountabilities.

The Board delegates authority to Porchlight's sub committees to monitor the review and outcome of the application of controls. This is done by regular reporting and deeper analysis of issues of concern.

## Reserves policy and going concern

Porchlight's reserves policy is designed to reflect the underlying risk facing us: it ensures we have an appropriate level of reserves to safeguard our operations and can continue providing services to our beneficiaries.

We hold restricted funds to meet commissioner and donor requirements around unspent income.

Restricted reserves include amounts associated with fixed asset investments reflecting where property may be charged to external agencies. At 31 March 2025, restricted reserves had increased to £734,430 from £634,510 due to unspent grants and restricted donations received close to the year end. Included in these is £162,285 relating to fixed assets.

In 2024–25 we fully utilised £723,509 of designated reserves that has been carried forward to support contracts for women's services and Housing First as well as continuing to fund posts within our Kent Homelessness Connect service. There are no designated reserves to be carried forward into 2025–26.

### Free Reserves

Trustees annually consider the minimum level of free reserves– excluding restricted and designated reserves – required to support our operations with the aim of providing a buffer against unforeseen events. A key measure of that assessment is the predictability of our income stream.

Given that rents and service charges and contract values are effectively fixed at the start of the year, the main element of uncertainty around income is fundraising. Despite the challenging external fundraising environment, Porchlight has continued to attract donations from a wide range of supporters. Investing time in donor engagement has proved to be successful in ensuring a consistently high level of donations.

In terms of expenditure, a significant element of work took place in 2024–25 to ensure that expenditure is commensurate with income. This will prevent any further draw on reserves.

Trustees have targeted free reserves at three months' worth of operating costs. At 31 March 2025 this would be £2.6 million. Currently, our unrestricted reserves total £1.865 million: non-liquid fixed assets currently comprise £1.918 million, leaving a free cash reserve deficit of £53k.

To manage the risk around this level of free reserves and whilst we seek to rebuild our reserves, trustees have set an interim target of cash balances to meet one month's worth of operating expenditure. This means cash balances should not fall below approximately £880k. At 31 March 2025, cash balances were £646k but have since risen beyond the target following receipt of outstanding grants.

Liquidity support in 2024–25 was provided by the sale of property and the loan from Big Issue Invest. Trustees do have the option to agree to dispose of other properties or raise further finance should the need arise, although current forecasts are that neither of these will be necessary.

## **Forecast and budgets / going concern**

Having considered future projections, Trustees have agreed that it is appropriate to prepare the accounts on the going concern basis of accounting for the twelve months following the date of the signing of the accounts.

As a short-term measure, we drew heavily on our reserves, over the past two years, as we transitioned away from the supported housing model funded by Kent County Council towards a model funded through more localised support contracts and supplemented by Enhanced Housing Management.

The budget for 2025–26 predicts that we will return to surplus following revisions to our rent and service charge setting policy, restructuring of support contracts and a detailed review of central costs. As a result, we expect overall reserves to increase as we rebuild our financial capacity. Our performance to date in 2025–26 suggests that we are on target to deliver that surplus.

Our Live Well Kent and Medway Contract (annual value: £3.4 million) has now been extended up until March 2028. Taking that into account, our predictions for 2026–27 suggest that we will deliver additional surpluses which will add to our reserves.

To test this assumption, trustees also considered a no growth budget which assumes:

- all contracts with an end date of March 2026 cease.
- there is no increase in contract values.
- rents and service charges increase by the national rent formula of inflation of CPI + 0.5%.
- there is no increase to salaries, other than payments on increments that are due.
- 4.5% inflation is assumed on other costs, except premises running costs which increase by 6%.
- unplanned capital costs of £100k.
- fundraising income decreases by 50%.

Without taking corrective action, the deficit for 2026–27 would be £651k reducing reserves to £2.491 million. Net current assets would be positive at £0.735k and cash balances would also remain positive. However, Porchlight has demonstrated a track record of reducing costs to match income and we would be confident of taking early corrective measures to prevent reserves from reducing and managing cash to maintain liquidity. In extreme circumstances property disposal or raising finance against our property could be considered.

## **Environmental Impact**

We continue to identify opportunities to improve our operational processes to contribute to environmental sustainability. These include:

- ensuring our waste management minimises the impact on the environment.
- developing our digital working practices to reduce staff travel and fuel consumption.
- procurement processes that encourage responsible purchasing and sourcing of resources.
- improving the energy performance of our accommodation and facilities.

## **Fundraising**

This year marked Porchlights 50th birthday, but we couldn't celebrate not while the average age of death for people living on the streets is 45 for men and just 43 for women. We delivered an extensive range of events to mark the occasion and to draw attention to the ongoing homelessness crisis. A special thanks goes to Barretts of Canterbury, Fitzgerald Jewellers, Leverets – Barristers & Solicitors, Savills and Thanet Earth, who generously supported Porchlight in this landmark year as 50th anniversary sponsors.

To mark this organisational milestone, we created a roaming art installation, visiting towns and cities across Kent to highlight the issues surrounding homelessness, raising vital awareness and funds to support our work. We also launched the Big Sleepout, an event for World Homeless Day, asking community groups and individuals to raise vital fund for homeless and vulnerable people in Kent.

Our annual Christmas appeal raised over £183,005.

We would especially like to thank the following trusts who supported us over the year:

The Redbreast Trust

Laing Family Trusts

Frank Brake Charitable Trust

Colyer Fergusson Charitable Trust

Lawson Trust

Edward Vinson

Doogood Foundation

Sobell Foundation

Hollick Family Foundation

### **Some numbers:**

- 754 new donors supported us.
- 83 talks, workshops and school assemblies reached over 5,199 children and adults.

The staff, clients and volunteers are so grateful to the support of our donors who have committed to helping others in their county with funds raised by schools, community groups, businesses, trusts and foundations and individuals.

## **Fundraising Practices**

Donors to Porchlight can be confident that we comply with the regulatory standards for fundraising

- We are registered with the Fundraising Regulator and are committed to the Fundraising Promise.
- We adhere to the Code of Fundraising Practice which covers the requirements charities must follow as set out in the Charities Act 2011.

All fundraising staff are members of the Chartered Institute of Fundraising. We have safeguards in place to protect our supporters and the reputation of our charity. We ensure that all third parties have safeguarding measures in place too and we expect everyone to comply with the Code of Fundraising Practice. We take any concerns about our fundraising activities very seriously.

Our complaints policy is featured on our website and clearly explains how people can make a complaint. Our gift acceptance policy references from whom we will accept gifts and how we protect vulnerable people. We are signed up to the Fundraising Preference Service to allow people to opt out of receiving fundraising communications from us but did not have to action any request.

## **Structure, governance and management**

### **Structure**

Porchlight Limited ("Porchlight") is a registered charity and is incorporated as a company limited by guarantee governed by its memorandum and articles of association.

Every member of the company undertakes to contribute to its assets in the event of winding up such amount, as may be required, not exceeding one pound.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 8 to the accounts.

### **Governance**

The trustees constitute the directors of the charitable company for the purposes of the Companies Act 2006 and trustees for the purposes of the Charities Act 2011. They provide leadership, direction and control in pursuit of the Charity's charitable objectives. Trustees serve for a term of three years with a possible appointment for a second term of another three years.

Trustees are recruited based on the range of skills and experience needed to govern Porchlight. This includes strategic and operational experience as well as a range of business and commercial experience, including financial and HR knowledge.

Patrick Fuller is chair of the board of trustees, having served in that role since November 2024 after joining the Board in 2020. Patrick is a digital communications consultant and has worked in specialist media for the last 25 years, having started his career as a journalist in Kent.

During the year, Anna Linstead and Emily Vince were appointed to the board. Anna is an accountant and corporate tax specialist in the private sector, bringing additional financial experience to the board. Anna has agreed to act as Porchlight's treasurer. Emily has acted as a chief adviser on strategy, communications, corporate affairs, reputation, marketing, fundraising and transformation. She has led major structural and cultural change in some of the UK's most complex institutions.

Bernadette Coady-Mayall was appointed on 21 July 2025. Bernadette is a VCSE Systems & Governance Leader working closely with NHS Trusts, schools, and Non Profits. She is, amongst other things, the Lead Governor, Chair of Committees at East Kent Hospitals University NHS Foundation Trust and Steering group member of the Kent & Medway VCSE Steering Group.

Hilary Edridge (who chaired Porchlight until November 2024), David Leah, Neil Oldfield and Adam Lott stood down from the board during the year. We are very grateful to them for their support and service during their tenure with Porchlight.

### **Trustee Induction / Training / Involvement**

Trustees receive a Trustee handbook which contains information about Porchlight, its structure and operations, the Board and sub-committee structures, Trustee duties and responsibilities and key policies. Trustees are encouraged to participate in visits to Porchlight projects to provide first hand exposure to the services delivered and the operating environment.

## **Governance (Continued)**

### **Trustee Induction / Training / Involvement**

Trustees receive a trustee handbook which contains information about Porchlight, its structure and operations, the board and subcommittee structures, trustee duties and responsibilities and key policies. Trustees are encouraged to participate in visits to Porchlight projects to gain first hand exposure of our services and the operating environment.

Training provided to the board is aligned to identified needs. All Trustees undertake safeguarding training and the board has appointed Dr Jenny Robson who has a long career history as a practitioner, leader and academic in children and family services and currently works at the University of East London. Trustees also attend annual away days to consider the operating environment and plan strategic direction.

The full board of Trustees meet five times a year to discuss strategy, to formulate policy and to oversee operational matters. They are supported by four standing committees who review specific areas in detail and report back to the full board:

- Finance.
- Income generation and communications.
- Performance and quality.
- Human Resources.

Porchlight's Trustees have agreed to work towards full compliance with the Charity Governance Code and to review Porchlight's practices against the seven key areas which make up the code.

## **Management**

Day-to-day management of the organisation is delegated to the chief executive and other members of the leadership team. The chief executive is not a member of the company and has no legal status as a director although he acts as executive within the authority delegated by the Trustees.

The chief executive, who also acts as secretary, and other members of the leadership team attend trustee board meetings, subcommittee meetings and trustee away days, presenting reports and analyses for discussion and to support decision making.

## **Pay Policy for Senior Staff**

The pay of all staff – including the leadership team – is reviewed by the Remuneration Committee annually to ensure remuneration is competitive and affordable.

## Statement of responsibilities of the trustees

The trustees (who are also directors of Porchlight for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the strategic report and directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2025 was 13 (2024: 14). The Trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

## **Auditor**

RSM UK Audit LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The Trustees' annual report, which includes the strategic report, has been approved by the Trustees on 15 October 2025 and signed on their behalf by

A handwritten signature in dark ink, appearing to read 'P. Fuller', is written over a light blue rectangular background.

Patrick Fuller  
Chair – board of trustees

## **Independent Auditor's Report to the members of Porchlight**

### **Opinion**

We have audited the financial statements of Porchlight (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities (including the Summary Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

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

## **Other information**

The other information comprises the information included in the Trustees' Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report, or the Strategic Report included within the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

## **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on page 25, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **Auditor's responsibilities for the audit of the financial statements**

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

## **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

**Annual Report and Accounts: 31 March 2025**

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the charitable company operates in and how the charitable company is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, The Charities (Protection and Social Investment) Act 2016, Charities Act 2011 and the charitable company's governing document. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety, tenancy laws and safeguarding. We performed audit procedures to inquire of management whether the charitable company is in compliance with these law and regulations.

The audit engagement team identified the risk of management override of controls and existence, cut-off and completeness of revenue as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, testing the occurrence of a sample of revenue transactions and reviewing a sample of revenue transactions either side of the year end to ensure that revenue had been recognised in the appropriate accounting period.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in dark ink, appearing to read 'RSM UK Audit LLP', is positioned above the printed name of the auditor.

Zoe Longstaff-Tyrrell (Senior Statutory Auditor)  
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
Portland  
25 High Street  
Crawley  
West Sussex  
RH10 1BG  
Date 28/10/25

**Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 March 2025**

	Note	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
<b>Income</b>					
Donations and legacies	2	1,718,523	427,383	2,145,906	1,797,740
Charitable activities	3	6,083,729	2,158,558	8,242,287	10,746,389
Trading income		–	–	–	16,795
Investment income	4	20,334	–	20,334	40,956
<b>Total Income</b>		<b>7,822,586</b>	<b>2,585,941</b>	<b>10,408,527</b>	<b>12,601,880</b>
<b>Expenditure</b>					
Raising Funds	6	486,175	40,822	526,997	485,293
Charitable activities	7	8,840,179	2,445,199	11,285,378	12,586,317
Interest payable	5	668	–	668	–
<b>Total Expenditure</b>		<b>9,327,022</b>	<b>2,486,021</b>	<b>11,813,043</b>	<b>13,071,610</b>
Net (loss) on investments		–	–	–	(75,000)
<b>Net movement in funds</b>		<b>(1,504,436)</b>	<b>99,920</b>	<b>(1,404,516)</b>	<b>(544,730)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		3,369,129	634,510	4,003,639	4,548,369
<b>Total Funds carried forward</b>		<b>1,864,693</b>	<b>734,430</b>	<b>2,599,123</b>	<b>4,003.639</b>

The notes on pages 36 to 52 form part of these financial statements.

## Balance Sheet as at 31 March 2025

	Note	2025 £	2024 £
<b>Fixed Assets</b>			
Tangible assets	10	1,590,365	1,793,366
Investment property	11	490,000	–
		<u>2,080,365</u>	<u>1,793,366</u>
<b>Current Assets</b>			
Property held for sale	12	105,726	325,000
Debtors	13	1,171,155	1,953,726
Cash at bank and in hand		646,418	1,622,696
		<u>1,923,299</u>	<u>3,901,422</u>
<b>Liabilities</b>			
Creditors: amounts due in less than one year	13	(1,276,764)	(1,691,149)
<b>Net current assets</b>		<u>646,535</u>	<u>2,210,273</u>
Creditors: amounts falling due in more than one year	15	(127,777)	–
		<u>2,599,123</u>	<u>4,003,639</u>
<b>Total net assets</b>			
<b>The funds of the charity</b>			
Restricted income funds	17	734,430	634,510
Unrestricted funds	17	1,864,693	3,369,129
<b>Total charity funds</b>		<u>2,599,123</u>	<u>4,003,639</u>

Company number:01157482

The financial statements on pages 32 to 52 were approved and authorised for issue by the board of trustees on 15 October 2025 and signed on their behalf by:



Patrick Fuller (Chair)



Anna Linstead (Treasurer)

# Statement of Cash Flows for the year ended 31 March 2025

	Note	Total Funds 2025 £	Total Funds 2024 £
<b>Cash (used) by operating activities</b>	A	<b>(1,443,977)</b>	<b>(133,733)</b>
<b>Cash flows from investing activities</b>			
Interest paid		(668)	–
Income from investments		20,334	40,956
Income from property disposal		305,379	–
Proceeds from the sale of fixed assets		–	20,600
Purchase of fixed assets		(51,790)	(563,765)
<b>Cash (used) by investing activities</b>		<b>273,255</b>	<b>(502,209)</b>
<b>Cash flows from financing activities</b>			
Loans received		200,000	–
Repayments of borrowing		(5,556)	–
<b>Net cash provided by financing activities</b>		<b>194,444</b>	<b>–</b>
<b>Changes in cash and cash equivalents in the year</b>		<b>(976,278)</b>	<b>(635,942)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	C	<b>1,622,696</b>	<b>2,258,638</b>
<b>Total cash and cash equivalents at the end of the year</b>	B	<b>646,418</b>	<b>1,622,696</b>
<b>Note A – Reconciliation of net income to net cash flow from operating activities</b>			
<b>Net expenditure for the year as per the statement of financial activities</b>		<b>(1,404,516)</b>	<b>(544,730)</b>
Adjustments for:			
Non cash legacy property received		(490,000)	–
Depreciation charges		148,611	155,475
Interest paid		668	–
Loss / (gain) on investments		19,621	75,000
Income from investments		(20,334)	(40,956)
Loss / (profit) on sale of fixed assets		454	(8,059)
Decrease in debtors		782,571	126,327
(Decrease) / increase in creditors		(481,052)	103,210
<b>Net cash (used) by operating activities</b>		<b>(1,443,977)</b>	<b>(133,733)</b>

Statement of Cash Flows for the year ended 31 March 2025 (continued)

	2025 £	2024 £
<b>Note B:</b>		
<b>Analysis of cash and cash equivalents</b>		
Cash in Hand	<b>646,418</b>	1,622,696

<b>Note C:</b>	At 1 April 2024	Cashflow	Non cash changes	At 31 March 2025
	£	£	£	£
Cash at bank	1,622,696	(976,278)	–	<b>646,418</b>
Short term loans	–	–	(66,667)	<b>(66,667)</b>
Long term loans	–	(194,444)	66,667	<b>(127,777)</b>
<b>Cash and cash equivalents</b>	<b>1,622,696</b>	<b>(1,170,722)</b>	<b>–</b>	<b>451,974</b>

## Notes to the accounts for the year ended 31 March 2025

### 1. Accounting Policies

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

#### 1.1 Basis of Preparation

The financial statements have been prepared in accordance with the historical cost convention, modified to include investment properties at fair value, and in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2015) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102) (effective 1 January 2019) and the Companies Act 2006.

Porchlight meets the definition of a public benefit entity under FRS 102.

#### 1.2 Preparation of the accounts on a going concern basis

The trustees are of the view that having secure long term contracts i.e. the KCC Live Well Kent contract, combined with the property rental portfolio, constitutes the charity as a going concern for at least the 12 months following the approval of the accounts, and confirm there are no material uncertainties about the charity's ability to continue.

#### 1.3 Income

Income is recognised when the charity has legal entitlement to the funds, any performance conditions attached to the items are met, it is probable that the income will be received and it can be measured reliably.

Donations are included as income when the cash becomes receivable. For legacies, entitlement is taken when there has been grant of probate, the executors have established that there are sufficient net assets in the estate to pay the legacy and any conditions attached to the legacy have been met.

Income from government and other grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be reliably measured.

Where grants are received in advance, amounts are deferred at the year end as necessary.

Other trading activities relate to income in exchange for goods or services sold, at equal value. Income is recognised when the charity has entitlement to the funds and they can be reliably measured, normally upon receipt.

Income from interest on deposits is recognised when its receipt is probable and the amount can be measured reliably; this is normally upon notification or payment by the bank.

Donated Goods and Services are included as income where it would otherwise have been purchased. Amounts are included when received, at the value of the cost of purchasing the goods or service outright on the open market.

## Notes to the accounts for the year ended 31 March 2025 (continued)

### 1.4 Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities.

Expenditure on raising funds comprise the costs associated with attracting income from donations and legacies, together with investment costs.

Expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

Support costs include central functions such as governance, finance, administration, human resources etc and have been allocated to activities on the basis of the direct expenditure of the activities.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

### 1.5 Termination Benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The charity recognises termination benefits when it is demonstrably committed to either (i) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or (ii) providing termination benefits as a result of an offer made to encourage voluntary redundancy.

### 1.6 Pensions

The charity operates a defined contribution pension scheme. The expenses and any liability are allocated to the activity within the staff costs for that activity, similarly allocated to restricted or unrestricted based on the relevant staff costs for that fund.

### 1.7 Tangible Fixed Assets

Individual fixed assets costing £10,000 or more are capitalised at cost.

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

Freehold property – 2% on cost of the building

Leasehold property – over the life of the lease

Fixtures & fittings and equipment– 25%

A full year of depreciation is charged in the year of acquisition, and none in the year of disposal.

## Notes to the accounts for the year ended 31 March 2025 (continued)

### 1.8 Fixed Asset Investments

Investment properties are included in the balance sheet at their open market value. No depreciation is provided on the properties. Net gains and losses on disposal and revaluation of investments are charged or credited to the Statement of Financial Activity (SOFA).

### 1.9 Cash at Bank and In Hand

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

### 1.10 Accrued Holiday Pay

Provision is made at the balance sheet date for holidays accrued but not taken, at the salary of the relevant employee at that date. The expected cost of compensated short-term absence (i.e holidays) is charged to the SOFA on an accruals basis.

### 1.11 Fund Accounting

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- Designated funds are unrestricted funds which are earmarked by the trustees for particular purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

### 1.12 Operating Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the SOFA as incurred.

### 1.13 Financial Instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument, and are offset only when the Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. **Financial Assets** – Grants receivable and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

**Financial Liabilities** – Other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being transaction price less any amounts settled.

**Notes to the accounts for the year ended 31 March 2025 (continued)**

**1.14 Critical accounting estimates and judgements**

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

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

**Valuation of investment property**

The carrying value of the investment property is stated at fair value. The charity considers external valuation sources for determining the fair value as detailed in note 11 to these financial statements, however, the valuation of the charity's investment property is inherently subjective, as it is made on the basis of valuation assumptions which may in future not prove to be accurate.

Notes to the accounts for the year ended 31 March 2025 (continued)

2. Donations and Legacies	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total Funds 2025 £
Gifts and donations	1,043,312	165,453	1,208,765
Legacies	149,389	–	149,389
General grants	17,963	261,930	279,893
Donated property	490,000	–	490,000
Donated goods and services	17,859	–	17,859
<b>Total</b>	<b>1,718,523</b>	<b>427,383</b>	<b>2,145,906</b>

Prior year	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £
Gifts and donations	1,059,382	365,320	1,424,702
Legacies	106,198	107,478	213,676
General grants	500	97,300	97,800
Donated goods and services	61,562	–	61,562
<b>Total</b>	<b>1,227,642</b>	<b>570,098</b>	<b>1,797,740</b>

Donated goods and services in the current year include raffles prizes, venue hire and catering, client welfare, IT costs and Housing Management.

Notes to the accounts for the year ended 31 March 2025 (continued)

3. Charitable Activities	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total Funds 2025 £
<b>Homelessness services</b>			
Rent / accommodation charges	2,335,515	–	2,335,515
Kent County Council	–	7,172	7,172
Local authority grants	121,850	1,220,375	1,342,225
NHS grants	1,680	–	1,680
	<u>2,459,045</u>	<u>1,227,547</u>	<u>3,686,592</u>
<b>Mental health services</b>			
Kent County Council	3,414,504	7,945	3,422,449
Local authority grants	–	119,253	119,253
NHS grants	244,354	684,245	928,599
	<u>3,658,858</u>	<u>811,443</u>	<u>4,470,301</u>
<b>Communities</b>			
European Social Fund (ESF) income	(34,174)	–	(34,174)
Big Lottery Fund	–	42,580	42,580
Other grants receivable	–	76,988	76,988
	<u>(34,174)</u>	<u>119,568</u>	<u>85,394</u>
<b>Total</b>	<u>6,083,729</u>	<u>2,158,558</u>	<u>8,242,287</u>

Notes to the accounts for the year ended 31 March 2025 (continued)

3. Charitable Activities

Prior year	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £
<b>Homelessness services</b>			
Rent / accommodation charges	1,703,744	–	1,703,744
Kent County Council	1,386,585	–	1,386,585
Local Authority grants	150,000	1,451,215	1,601,215
Student Placement fees	3,920	–	3,920
NHS grants	–	39,448	39,448
Other grants receivable	38	135,105	135,143
	<u>3,244,287</u>	<u>1,625,768</u>	<u>4,870,055</u>
<b>Mental health services</b>			
Kent County Council	4,119,010	85,436	4,204,446
NHS Grants	559,118	890,429	1,449,547
Other grants receivable	–	23,079	23,079
	<u>4,678,128</u>	<u>998,944</u>	<u>5,677,072</u>
<b>Communities</b>			
European Social Fund income	12,280	59,056	71,336
Big Lottery Fund	–	127,741	127,741
Sundry income	185	–	185
	<u>12,465</u>	<u>186,797</u>	<u>199,262</u>
<b>Total</b>	<u>7,934,880</u>	<u>2,811,509</u>	<u>10,746,389</u>

ESF income due has been written back in the current year as irrecoverable.

Government grants are received for the provision of support within accommodation, floating support and outreach services, adolescent support services and mental health and wellbeing services.

Government grants received during the year totalled £5,847,849 (2024: £8,682,241).

There were no unfulfilled conditions attached to government grants recognised in the year (2024: None).

Notes to the accounts for the year ended 31 March 2025 (continued)

4. Investment Income	Unrestricted Funds 2025 £	Unrestricted Funds 2024 £
Rental income from investment properties	5,813	12,100
Bank interest	14,521	28,856
<b>Total</b>	<b>20,334</b>	<b>40,956</b>

5. Interest payable and financing costs	Unrestricted Funds 2025 £	Unrestricted Funds 2024 £
Interest payable on loans	<b>668</b>	–

6. Raising Funds	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
Expenditure on raising donations and legacies	486,175	40,822	<b>526,997</b>	485,293

Notes to the accounts for the year ended 31 March 2025 (continued)

7. Charitable Activities	Homelessness Services	Mental Health Services	Communities	Total 2025
	£	£	£	£
<b>Activities undertaken directly</b>				
Staff costs	2,335,932	2,724,421	23,229	5,083,582
Premises costs	1,725,443	230,189	1,233	1,956,865
Delivery network fees	–	1,422,778	–	1,422,778
Office costs	157,612	87,220	611	245,443
Tenant welfare fund	61,598	55,953	–	117,551
Sundry expenses	2,184	1,525	2	3,711
	<b>4,282,769</b>	<b>4,522,086</b>	<b>25,075</b>	<b>8,829,930</b>
<b>Support costs</b>				
Governance	43,425	46,073	260	89,758
Management and administration	388,416	412,099	2,329	802,844
Finance	239,568	274,993	1,554	516,115
Human resources	189,940	201,522	1,139	392,601
Communications	316,468	335,765	1,897	654,130
	<b>1,177,817</b>	<b>1,270,452</b>	<b>7,179</b>	<b>2,455,448</b>
<b>TOTAL</b>	<b>5,460,586</b>	<b>5,792,538</b>	<b>32,254</b>	<b>11,285,378</b>

All support costs are apportioned on the basis of unrestricted direct expenditure

Expenditure on charitable activities was £11,285,378 (2024: £12,586,317) of which £8,840,179 (2024: £9,558,299) was unrestricted and £2,445,199 (2024: £3,028,018) was restricted.

Within governance costs is Directors and Officers Insurance of £11,221 (2024: £10,696).

Notes to the accounts for the year ended 31 March 2025 (continued)

<b>7. Charitable Activities</b>	Homelessness Services	Mental Health Services	Communities	Total 2024
Prior year	£	£	£	£
<b>Activities undertaken directly</b>				
Staff costs	2,339,362	2,207,914	351,298	4,898,574
Premises costs	1,684,742	154,384	34,157	1,873,283
Delivery network fees	516,988	2,692,927	–	3,209,915
Office costs	127,601	71,315	8,225	207,141
Tenant welfare fund	105,890	36,226	10,377	152,493
Sundry expenses	2,321	1,112	891	4,324
	<b>4,776,904</b>	<b>5,163,877</b>	<b>404,948</b>	<b>10,345,730</b>
<b>Support costs</b>				
Governance	56,395	60,966	4,781	122,142
Management and administration	227,890	233,321	16,245	487,456
Finance	277,538	272,208	18,953	568,699
Human resources	161,587	158,483	11,035	331,105
Communications	356,835	349,981	24,369	731,185
	<b>1,090,245</b>	<b>1,074,959</b>	<b>75,383</b>	<b>2,240,587</b>
<b>TOTAL</b>	<b>5,867,149</b>	<b>6,238,836</b>	<b>480,331</b>	<b>12,586,317</b>

Notes to the accounts for the year ended 31 March 2025 (continued)

8. Analysis of staff costs	2025	2024
	£	£
Salaries and wages	5,822,391	5,676,197
Social security costs	541,177	516,995
Pension costs	278,762	271,710
<b>Total</b>	<b>6,642,330</b>	<b>6,464,902</b>

Included in pension costs above is an amount of £64,715 (2024: £48,507) relating to restricted expenditure.

Pension contributions of £41,161 (2024: £41,294) were payable at the year end.

Redundancy payments totalling £41,048 (2024: £116,328) were made in the year. There was £20,347 outstanding at the year-end (2024: nil).

The number of employees whose emoluments fell within the following bands were:

	2025	2024
	No.	No.
£60,001 – £70,000	1	–
£70,001 – £80,000	1	1
£90,001 – £100,000	1	–
£200,001 – £220,000	–	1

The trustees did not receive any remuneration or benefits in kind in either year. £47 (2024: £984) was re-imbursed for travel expenses to one trustee (2024: one).

The key management personnel of the charity comprise the trustees and the leadership team. The total amount of the employee benefits of the key management personnel was £281,872 (2024: £644,160). During the year, no new staff loans were paid to key management personnel (2024: one loan totalling £1,000). No amounts were outstanding at the year-end.

The average number of employees during the year was as follows;

	2025	2024
	No.	No.
Homelessness services	75	79
Mental health services	77	68
Communities	6	12
Management and administration	42	40
<b>Total</b>	<b>200</b>	<b>199</b>

Notes to the accounts for the year ended 31 March 2025 (continued)

9. Net Expenditure for the year is after charging:	2025	2024
	£	£
Operating leases	307,073	221,479
Depreciation	154,491	155,476
(Loss) / profit on disposal of fixed assets	(454)	8,059
(Loss) on disposal of investment property	(19,621)	–
Auditor's remuneration for statutory audit	54,000	27,500

10. Tangible Fixed Assets	Freehold property	Leasehold Property	Fixtures, Fittings and Equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 April 2024	1,174,330	610,999	949,691	2,735,020
Additions	–	–	51,790	51,790
Disposals	–	(150,259)	(1,283)	(151,542)
Transfer to property for sale (Note 11)	–	(115,230)	–	(115,230)
<b>At 31 March 2025</b>	<b>1,174,330</b>	<b>345,510</b>	<b>1,000,198</b>	<b>2,520,038</b>
<b>Depreciation</b>				
At 1 April 2024	51,301	215,514	674,839	941,654
Charge for the year	14,092	2,978	131,541	148,611
Disposals	–	(150,259)	(829)	(151,088)
Transfer to property for sale (Note 11)	–	(9,504)	–	(9,504)
<b>At 31 March 2025</b>	<b>65,393</b>	<b>58,729</b>	<b>805,551</b>	<b>929,673</b>
<b>Net Book Value</b>				
<b>At 31 March 2025</b>	<b>1,108,937</b>	<b>286,781</b>	<b>194,647</b>	<b>1,590,365</b>
At 31 March 2024	1,123,029	395,485	274,852	1,793,366

Included in freehold property above is land at a value of £469,732 (2024: £469,732) which is not depreciated.

Notes to the accounts for the year ended 31 March 2025 (continued)

11. Investment property	2025	2024
	£	£
<b>Fair Value:</b>		
At 1 April 2024	–	–
Additions in year from donations (note 2)	490,000	–
<b>At 31 March 2025</b>	<b>490,000</b>	<b>–</b>

The fair value of the two properties at 31 March 2025 was provided by the donor in support of the land registry transactions and has been tested using on-line valuation comparisons with similar properties in the same locations recently sold.

12. Property held for sale	2025	2024
	£	£
<b>Fair Value:</b>		
At 1 April 2024	325,000	–
Transfer from investment property	–	325,000
Transfer from fixed assets	105,726	–
Disposed of in the year	(325,000)	–
<b>At 31 March 2025</b>	<b>105,726</b>	<b>325,000</b>

During the year the sale of the property in Deal was completed. Trustees also decided to sell a leasehold property in Maidstone the sale of which was completed in August 2025. A transfer has been made between fixed assets and current assets at the net book value of the property.

13. Debtors	2025	2024
	£	£
Other debtors	365,347	306,597
Grants receivable	462,422	1,151,163
Prepayments and accrued income	343,386	495,966
<b>Total</b>	<b>1,171,155</b>	<b>1,953,726</b>

Notes to the accounts for the year ended 31 March 2025 (continued)

14. Creditors – amounts falling due within one year	2025	2024
	£	£
Bank loans and overdrafts (see note 15)	66,667	–
Trade creditors	327,932	770,588
Other creditors	423,983	25,662
Other taxes and social security	110,218	121,084
Accruals and deferred income	347,964	773,815
<b>Total</b>	<b>1,276,764</b>	<b>1,691,149</b>

Within other creditors is £26,554 (2024: £nil) held on behalf of Greater Change, a charity providing grant support to individuals in need. During the year, Porchlight received grants of £137,683 of which £111,128 was paid out to clients.

The balance at the end of the year is held pending payment of further grants or is refundable to Greater Change if no further grants are paid.

Deferred income	2025	2024
	£	£
Brought forward	565,756	581,711
New amounts deferred	1,416,069	896,697
Released to SOFA	(1,782,251)	(912,652)
<b>Total</b>	<b>199,574</b>	<b>565,756</b>

15. Creditors – amounts falling due in more than one year	2025	2024
	£	£
Bank loans and overdrafts	127,777	–
<b>Maturity of Debt</b>		–
In one year or less	66,667	–
In more than one year but not more than two years	66,667	–
In more than two years but not more than five years	61,110	–
	<b>194,444</b>	<b>–</b>

During the year Porchlight received a loan of £200,000 from the Big Issue Invest to support working capital. The loan is repayable in fixed instalments over 36 months at a fixed interest rate of 7.5%. The final instalment will be due in February 2028. The loan is secured against the property at 46 Hereson Road, Ramsgate.

16. Financial instruments	2025	2024
	£	£
Financial assets measured at fair value	595,726	325,000

Notes to the accounts for the year ended 31 March 2025 (continued)

17. Analysis of charity funds	Balance at 1 Apr 24	Income	Expenditure	Transfers	Balance at 31 Mar 25
<b>Restricted funds</b>	£	£	£	£	£
New Town Street Building Fund	163,966	–	(1,681)	–	162,285
Homelessness services	365,375	1,460,301	(1,398,775)	–	426,901
Mental health services	105,169	1,045,532	(1,014,324)	–	136,377
Communities	–	38,571	(29,704)	–	8,867
Restricted fundraising	–	41,537	(41,537)	–	–
<b>Total restricted funds</b>	<b>634,510</b>	<b>2,585,941</b>	<b>(2,486,021)</b>	<b>–</b>	<b>734,430</b>

	Balance at 1 Apr 23	Income	Expenditure	Transfers	Balance at 31 Mar 24
<b>Restricted funds</b>	£	£	£	£	£
New Town Street Building Fund	165,648		(1,682)	–	163,966
Homelessness services	18,925	2,149,731	(1,803,281)	–	365,375
Mental health services	102,782	1,035,913	(1,033,526)	–	105,169
Communities	–	195,964	(195,964)	–	–
Investment property	400,000	–	(75,000)	(325,000)	–
<b>Total restricted funds</b>	<b>687,355</b>	<b>3,381,608</b>	<b>(3,109,453)</b>	<b>(325,000)</b>	<b>634,510</b>

The New Town Street Building Fund was created by donations and grants received in 1996/97 to build the property on land provided by Kent County Council on a 125-year lease. This fund is being written off over the life of the lease.

The remaining restricted funds relate to restricted grants and donations for mental health services, outreach services, activities net of corresponding expenditure.

For details of the investment property fund transfer in the prior year see note 12.

## Notes to the accounts for the year ended 31 March 2025 (continued)

17. Analysis of charity funds (continued)	Balance at 1 Apr 24 £	Income £	Expenditure £	Transfers £	Balance at 31 Mar 25 £
<b>Unrestricted funds</b>					
General unrestricted fund	2,645,620	7,822,586	(9,327,022)	723,509	<b>1,864,693</b>
Designated funds	723,509	–	–	(723,509)	–
<b>Total unrestricted funds</b>	<b>3,369,129</b>	<b>7,822,586</b>	<b>(9,327,022)</b>	<b>–</b>	<b>1,864,693</b>

	Balance at 1 Apr 23 £	Income £	Expenditure £	Transfers £	Balance at 31 Mar 24 £
<b>Unrestricted funds</b>					
General unrestricted fund	3,506,590	9,220,273	(9,756,243)	(325,000)	2,645,620
Designated funds	354,423	–	(280,914)	650,000	723,509
<b>Total unrestricted funds</b>	<b>3,861,013</b>	<b>9,220,273</b>	<b>(10,037,157)</b>	<b>325,000</b>	<b>3,369,129</b>

Designated funds brought forward related to monies set aside for Housing First and Women's Needs services, as well as £650,000 for Homelessness services as per the explanation on page 14. During the year these funds were fully utilised in line with the designation in the delivery of contract services.

	Balance at 1 Apr 24 £	Income £	Expenditure £	Transfers £	Balance at 31 Mar 25 £
<b>Summary of funds</b>					
Restricted funds	634,510	2,585,941	(2,486,021)	–	<b>734,430</b>
Unrestricted funds	<b>3,369,129</b>	<b>7,822,586</b>	<b>(9,327,022)</b>	<b>–</b>	<b>1,864,693</b>
<b>Total funds</b>	<b>4,003,639</b>	<b>10,408,527</b>	<b>(11,813,043)</b>	<b>–</b>	<b>2,599,123</b>

Prior year	Balance at 1 Apr 23 £	Income £	Expenditure £	Transfers £	Balance at 31 Mar 24 £
<b>Summary of funds</b>					
Restricted funds	687,356	3,381,607	(3,109,453)	(325,000)	634,510
Unrestricted funds	3,861,013	9,220,273	(10,037,157)	325,000	3,369,129
<b>Total funds</b>	<b>4,548,369</b>	<b>12,601,880</b>	<b>(13,146,610)</b>	<b>–</b>	<b>4,003,639</b>

Notes to the accounts for the year ended 31 March 2025 (continued)

18. Analysis of net assets between funds	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total Funds 2025 £
Fixed assets	1,918,080	162,285	2,080,365
Net current assets	74,390	572,145	646,535
Current liabilities falling due in more than one year	(127,777)	–	(127,777)
<b>Total</b>	<b>1,864,693</b>	<b>734,430</b>	<b>2,599,123</b>

Prior year	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £
Fixed assets	1,629,399	163,967	1,793,366
Net current assets	1,739,730	470,543	2,210,273
<b>Total</b>	<b>3,369,129</b>	<b>634,510</b>	<b>4,003,639</b>

19. Operating leases	2025 £	2024 £
Due within one year	314,574	156,936
Between one and five years	464,662	361,937
After five years	–	132,000
<b>Total</b>	<b>779,236</b>	<b>650,873</b>

20. Taxation

Porchlight is a registered charity and, as such, its income and gains fall within Sections 471 to 489 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 and are exempt from corporation tax to the extent that they are applied to its charitable activities.

21. Related party transactions

Aggregate donations of £1,612 (2024: £1,775) were received from trustees during the year.

22. Post Balance Sheet Event

In August 2025 the sale of Rupert Allan House in Maidstone was completed as referred to in Note 12.