PILGRIM HOMES TRUST

Financial Statements

For the year ended 31 March 2026

COMPANY NUMBER 11685624

CHARITY NUMBER 1183226

PILGRIM HOMES TRUST

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For the year ended 31 March 2026

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PILGRIM HOMES TRUST

Trustee's report – statutory information
For the year ended 31 March 2026

DIRECTORS AND TRUSTEES

Michael Abbott
Dr Judy McLaren
Sylvia Clovey
Andrew Symonds (Chairman)
John Edwards
Herbert Mark Curran

Legal title to the assets of the charity are held by a wholly owned subsidiary and nominee company, The Aged Pilgrims' Friend Society Trust Ltd. A charity trustees' indemnity insurance policy is maintained by the group of charities.

COMPANY SECRETARY

Julian Hillman

REGISTERED OFFICE

175 Tower Bridge Road
London
SE1 2AL

COMPANY NUMBER 11685624
CHARITY NUMBER 1183226

BANKERS

Lloyds Bank plc
25 Gresham Street
London
EC2V 7HN

AUDITORS

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

KEY MANAGEMENT PERSONNEL

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

Stephen Hammersley	*Chief Executive Officer*
Maureen Sim	*Director of Operations*
Hugh Lambourne	*Director of Property Services*
Joshua Field	*Director of Human Resources*
Julian Hillman	*Director of Finance*
Alexandra Davis	*Director of Marketing and Communications*

Trustee's report
For the year ended 31 March 2026

The trustees are pleased to present their report, together with the financial statements of the charity (hereafter in this report referred under the short name of Pilgrim Homes) for the year ended 31 March 2026. The trustees' report incorporates the directors' report prepared for the purposes of company law.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The results of all group entities are consolidated in the accounts of Pilgrims' Friend Society Group. The trustees make significant decisions for the running of the charity. Responsibility for the day-to-day operations of the charity is delegated to the Chief Executive and Senior Management Team of Pilgrims' Friend Society which has been the main operating charity for the group.

The Company was recognised as a charity on 2 May 2019 being essentially an incorporated form of the original Pilgrim Homes charity (founded in 1807) with articles which, although rendered in modern English, faithfully reproduce those of the original Pilgrim Homes Charity.

On 5 February 2020, the charity acquired the Aged Pilgrims Friend Society Trust Limited, a dormant company, which holds title to the assets of the former Pilgrim Homes and Housing Schemes. To avoid unnecessary costs this company will continue to hold title to these assets as nominee for this Company.

As part of the group reconstruction, on 31 March 2020, the charity acquired, by way of a gift, the operating assets of the former Pilgrim Homes, being both freehold properties and operating assets and equipment.

OBJECTIVES AND ACTIVITIES

The objects of the charity are to provide grants, housing and care for needy Protestant Christians over 60 years of age for the public benefit and to the glory of God.

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

ACHIEVEMENTS AND PERFORMANCE

During the year the Charity contributed to the Group's renewal programme by realising assets. For an overall view of Pilgrims' Friend Society Group please see our consolidated accounts.

FINANCIAL REVIEW

As noted above the major activity of this year was the business of the former Pilgrim Homes charity (charity number 242266) which gives rise to rental and investment income from the investments held by the charity from which it funds capital improvements to the properties when necessary.

The charity received £nil (2025: £nil) in donations from Pilgrim Homes, which consisted of entirely of legacies.

The surplus for the year, as dealt with within the SOFA and after charging depreciation amounted to £1,339,000 (2025: deficit of £479,000).

FUTURE DEVELOPMENTS

The trustees expect the operations of the charity to continue broadly unchanged in the forthcoming year.

INVESTMENT POLICY

The charity's investments are detailed in note 9 to these accounts. They include a number of houses and bungalows which are either located close to or within the curtilage of the Care Homes. These properties are unsuitable for use by the beneficiaries of this charity and they are therefore let on assured shorthold tenancies either to staff members or unrelated third parties.

The trustees intend to maximise the return on these investments by maintaining them well and letting them at market rents.

RESERVES POLICY

The Charity holds funds of £31,108,000 at the year end. Restricted funds account for £2,290,000. Of the general and designated funds, £23,803,000 could only be realised by disposing of tangible fixed assets or programme related investments. This means that the reserves (that is, the part of the charity's unrestricted funds that is freely available to spend on any of the charity's purposes) are £5,015,000 against a target of £50,000, which is three months' worth of annual expenditure excluding depreciation.

TRUSTEE RECRUITMENT AND TRAINING

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

RISK MANAGEMENT

The charity maintains a comprehensive register of risks which is reviewed by the Key Management Personnel at their monthly meetings and by trustees at every trustee meeting. Risks are rated as to both their likelihood and severity. The greatest risk affecting the Charity is the loss of value of its assets; this risk is mitigated by the purchase of insurance and a good maintenance programme for property.

STAFF ISSUES

The Charity does not have any employees.

KEY MANAGEMENT PERSONNEL

The key management personnel of the charity (all of whom are employed by Pilgrims' Friend Society, a fellow member of the Pilgrims' Friend Society Group, are listed on page 1) are in charge of directing, controlling, running and operating the charity on a day-to-day basis. Details of their remuneration and expenses reimbursed, and other related party transactions are disclosed in Note 8 to the financial statements of the Pilgrims' Friend Society Group. Their pay is reviewed annually.

FUNDRAISING POLICY

The charity does not seek to raise donations, directing these instead to Pilgrims' Friend Society.

RELATED PARTIES

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

1. Key Management Personnel of Pilgrims' Friend Society
2. The following charities:
    a. Pilgrims' Friend Society Group (charity no. 1134979, company no. 7169875)
    b. Pilgrims' Friend Society (charity no. 1045920, company no. 3027071)
    c. Pilgrim Homes (charity no. 242266)
    d. Strathclyde House Trust (charity no. SC025550, company no. SC169848)
    e. Pilgrims' Friend Society (RP) (charity no. 299400, company no. 02001246)
    f. Preston Bethany Care (charity no. 1140242, company no. 07394756)
3. Homesdale (Woodford Baptist Homes) Limited – Cooperative & Community Benefit Society No 13406R
4. Pilgrims' Friend Group Trading Limited – a limited company (no. 01123799)
5. Aged Pilgrims' Friend Society Trust Limited – a limited company (no. 00810168) which holds title to the properties owned by Pilgrim Homes Trust.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

STATEMENT OF DISCLOSURE TO AUDITOR

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

AUDITORS

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

The above report is prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved by the trustees and signed on their behalf by

John Edwards

J Edwards
Trustee

Date: 16 July 2026

Independent auditor's report to the trustees of Pilgrim Homes Trust
For the year ended 31 March 2026

OPINION

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2026 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the 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 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 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 annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included with the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemptions in preparing the trustees report and from the requirement to prepare a strategic report.

RESPONSIBILITIES OF TRUSTEES

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

We determined that the principal risks were related to:

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

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

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

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

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

Independent auditor's report to the trustees of Pilgrim Homes Trust (continued)
For the year ended 31 March 2026

USE OF OUR REPORT

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



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

Chartered Accountants
Statutory Auditor

5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

Date: 17 July 2026

Statement of financial activities (including Income and Expenditure Account) For the year ended 31 March 2026

	Note	2026 Unrestricted Funds £000	2026 Restricted Funds £000	2026 Total £000	2025 Unrestricted Funds £000	2025 Restricted Funds £000	2025 Total £000
Income from:							
Donations, legacies and grants	**2**	**12**	**-**	**12**	28	-	28
Investments	**3**	**42**	**-**	**42**	53	-	53
Charitable activities	**4**	**321**	**-**	**321**	280	-	280
Other income	**5**	**1,909**	**-**	**1,909**	10	-	10
Total income		**2,284**	**-**	**2,284**	371	-	371
Expenditure on:							
Raising funds		**15**	**-**	**15**	6	-	6
Charitable activities	**6**	**930**	**-**	**930**	844	-	844
Total expenditure		**945**	**-**	**945**	850	-	850
Net income/(expenditure)	**7**						
Net movement in funds		**1,339**	**-**	**1,339**	(479)	-	(479)
Reconciliation of funds							
Total funds brought forward		**27,479**	**2,290**	**29,769**	27,958	2,290	30,248
Total funds carried forward		**28,818**	**2,290**	**31,108**	27,479	2,290	29,769

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

The notes on pages 13 to 24 form part of these financial statements.

PILGRIM HOMES TRUST

Balance sheet
As at 31 March 2026

	Note	2026 £000	2026 £000	2025 £000	2025 £000
Fixed assets					
Tangible assets	**8**		**23,803**		24,422
Investments	**9**		**861**		861
			24,664		25,283
Current assets					
Stock of flats held for resale	**10**	**860**		722	
Debtors and prepayments	**11**	**5,569**		3,755	
Cash at bank and in hand		**66**		26	
		6,495		4,503	
Creditors: Amounts falling due within one year	**12**	**(51)**		(17)	
Net current assets			**6,444**		4,486
Net assets			**31,108**		29,769
Funds:	**13**				
Unrestricted funds (including revaluation reserve of £0.528m (2025: £0.528m))			**28,818**		27,479
Restricted funds			**2,290**		2,290
Total Funds			**31,108**		29,769

The financial statements were approved by the Trustees on 16 July 2026 and signed on their behalf by:

John Edwards

J Edwards
Trustee

Company Registration No: 11685624

The notes on pages 13 to 24 form part of these financial statements.

Statement of cash flows
For the year ended 31 March 2026

	2026 £000	2025 £000
Cash flows provided by/(used in) operating activities		
Trading and donations		
Net income/(expenditure)	**1,339**	(479)
Interest and dividends included in investing activities	**(42)**	(53)
Depreciation	**602**	609
(Gain) on disposal of tangible fixed assets	**(1,909)**	(10)
Other adjustments to tangible fixed assets	**-**	(69)
Net cash (used in)/provided by trading and donations	**(10)**	(2)
Working capital movements		
(Increase)/decrease in stocks	**(138)**	(587)
Transfers from stock to tangible fixed assets	**(120)**	(118)
(Increase)/decrease in debtors	**(1,814)**	644
Increase)/(decrease) in creditors	**34**	(7)
Net cash (used in) working capital movements	**(2,038)**	(68)
Net cash (used in) operating activities	**(2,048)**	(70)
Cash flows from investing and financing activities		
Tangible fixed assets		
Payments on additions of tangible fixed assets	**(239)**	(318)
Proceeds on disposal of tangible fixed assets	**2,285**	10
Net cash provided by/(used in) tangible fixed assets	**2,046**	(308)
Fixed asset investments		
Interest and dividends received	**42**	53
Net cash provided by fixed asset investments	**42**	53
Net cash provided by/(used in) investing and financing activities	**2,088**	(255)
Net cash inflow/(outflow)	**40**	(325)
Cash and cash equivalents at 1 April 2025	**26**	351
Cash and cash equivalents at 31 March 2026	**66**	26

The notes on pages 13 to 24 form part of these financial statements.

1. ACCOUNTING POLICIES

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

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

1a. Basis of accounting

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

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1,000.

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

1b. Consolidation

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

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

1c. Going concern

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

1d. Tangible fixed assets

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

1. ACCOUNTING POLICIES (continued)

1d. Tangible fixed assets (continued)

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

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

1e. Income

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

1f. Expenditure

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

1g. Governance costs

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

1h. Stock of leasehold flats held for resale

Stock is comprised of flats held for sale to new residents and are valued at the lower of cost and net realisable value. Cost is comprised of the purchase price of the properties.

1. ACCOUNTING POLICIES (continued)

1i. Fund accounting

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

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund are set out in note 16 to the financial statements.

1j. Fixed asset investments

Fixed asset investments are freehold properties let on assured shorthold tenancies at market rents. These properties are included in these accounts at the trustees' estimate of market value. Gains and losses arising from revaluation are recognised in the Statement of Financial Activities.

1k. Debtors

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

1l. Cash and cash equivalents

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

1m. Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

1n. Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2. INCOME FROM DONATIONS AND LEGACIES

	2026 £000	2025 £000
Donations	**12**	28
	12	28

3. INCOME FROM INVESTMENTS

	2026 £000	2025 £000
Rental of investment properties	**39**	44
Bank interest	**3**	9
	42	53

4. INCOME ON CHARITABLE ACTIVITIES

	2026 £000	2025 £000
Extra Care Housing lease sales	**321**	280

5. OTHER INCOME

	2026 £000	2025 £000
Gain on disposal of fixed assets	**1,909**	10

6. EXPENDITURE ON CHARITABLE ACTIVITIES

	2026 £000	2025 £000
Housing costs	**1**	6
Cost of Extra Care Housing lease sales	**315**	280
Other administrative costs	**2**	(60)
Governance costs:		
Auditors' fees for audit	**7**	6
Auditors' fees for accountancy	**3**	3
Depreciation	**602**	609
	930	844

7. NET INCOME/(EXPENDITURE)

	2026 £000	2025 £000
This is stated after charging:		
Depreciation	**602**	609
(Gain) on disposal of fixed assets / flats	**(1,909)**	(10)
Auditors' remuneration for audit services	**7**	6
Auditors' remuneration for other services	**3**	3

8. TANGIBLE FIXED ASSETS

	Freehold and leasehold properties £000	Furniture, fixtures and fittings £000	Total £000
Cost			
As at 1 April 2025	**29,675**	**678**	**30,353**
Additions	**178**	**61**	**239**
Transfers from stock	**120**	**-**	**120**
Disposals	**(527)**	**(50)**	**(577)**
As at 31 March 2026	**29,446**	**689**	**30,135**
Depreciation			
As at 1 April 2025	**5,540**	**391**	**5,931**
Charge for the year	**546**	**56**	**602**
Released on disposals	**(165)**	**(36)**	**(201)**
As at 31 March 2026	**5,921**	**411**	**6,332**
Net book value			
As at 31 March 2026	**23,525**	**278**	**23,803**
As at 31 March 2025	**24,135**	**287**	**24,422**

The cost of freehold and long leasehold property comprises the following:

	2026 £000	2025 £000
Freehold property:		
Dorothea Court, Bedford	**4,211**	4,209
Great Finborough	**4,088**	4,076
Evington Home, Leicester	**2,212**	2,145
Shottermill Home, Haslemere	**1,518**	1,487
Milward Home, Tunbridge Wells	**1,287**	1,276
Wantage Home	**1,287**	1,287
Royd Court, Mirfield	**4,199**	4,024
Pilgrim Gardens, Evington, Leicester	**3,067**	3,067
Middlefields House	**7,577**	7,577
	29,446	29,148
At Committee's revaluation, 31st March 1954 plus cost since:		
Brighton Home	**-**	527
Total properties	**29,446**	29,675

9. INVESTMENTS

	Investment properties £000
Valuation	
As at 1 April 2025	**861**
Revaluations	**-**
As at 31 March 2026	**861**
Historic cost as at 31 March 2026	**333**

Investment properties comprise the following:

	2026 £000	2025 £000
At fair value:		
Transferred from Pilgrim Homes:		
House on Pilgrims' Way, Great Finborough	**275**	275
60 Royd Court, Mirfield	**206**	206
Redbourn Land	**5**	5
House on Liphook Road, Haslemere	**375**	375
	861	861

The investment properties were revalued at the open market value as at 31 March 2024. A review of the market was undertaken and concluded that the values as at 31 March 2026 had not materially changed. Therefore no movements have been recognised in the year.

10. STOCK

	2026 £000	2025 £000
Stock of leasehold flats held for resale (see below)	**860**	722

	Royd Court		Pilgrim Gardens		
	Number No	Cost £000	Number No	Cost £000	Total £000
As at 1 April 2025	4	547	1	175	722
Sold	(1)	(140)	(1)	(175)	(315)
Transferred to fixed assets	(1)	(120)	-	-	(120)
Bought back	3	398	1	175	573
As at 31 March 2026	5	685	1	175	860

10. STOCK (continued)

Contingent liabilities on housing stock

Under the terms of the sale of leases at Royd Court, the Society is committed to repurchase leases should leaseholders cease to be residents. The total potential value of the flats not held in stock at 31 March 2026 is £3.6 million.

Under the terms of the sale of leases at Pilgrim Gardens, the Society is committed to repurchase leases should leaseholders cease to be residents. The total potential value of the flats not held in stock at 31 March 2026 is £1.1 million.

11. DEBTORS AND PREPAYMENTS

	2026 £000	2025 £000
Due from group entities and associated undertakings	**5,515**	3,725
Other debtors and prepayments	**54**	30
	5,569	3,755

12. CREDITORS AND ACCRUALS: amounts falling due within one year

	2026 £000	2025 £000
Trade creditors	**29**	16
Other creditors	**22**	1
	51	17

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2026	General Funds £000	Designated Funds £000	Restricted Funds £000	Total Funds £000
Fixed assets				
Tangible	**-**	**23,803**	**-**	**23,803**
Investments	**861**	**-**	**-**	**861**
Current assets	**3,125**	**1,080**	**2,290**	**6,495**
Current liabilities	**(51)**	**-**	**-**	**(51)**
Total Net Assets	**3,935**	**24,883**	**2,290**	**31,108**

2025	General Funds £000	Designated Funds £000	Restricted Funds £000	Total Funds £000
Fixed assets				
Tangible	-	24,422	-	24,422
Investments	861	-	-	861
Current assets	1,133	1,080	2,290	4,503
Current liabilities	(17)	-	-	(17)
Total Net Assets	1,977	25,502	2,290	29,769

14. FUNDS

2026	Brought Forward at 1 April 2025 £000	Income £000	Expenditure £000	Revaluations and losses £000	Transfers £000	Carried Forward at 31 March 2026 £000
Unrestricted funds						
General fund	**1,977**	**2,284**	**(945)**	**-**	**619**	**3,935**
Designated funds						
Operational Assets Equity Fund	**24,422**	**-**	**-**	**-**	**(619)**	**23,803**
Operational Risk Reserve	**1,030**	**-**	**-**	**-**	**-**	**1,030**
Property Emergency Repair Fund	**50**	**-**	**-**	**-**	**-**	**50**
	25,502	**-**	**-**	**-**	**(619)**	**24,883**
Restricted funds						
Lucy McNeil Fund	**1,849**	**-**	**-**	**-**	**-**	**1,849**
St Albans Fund	**441**	**-**	**-**	**-**	**-**	**441**
	2,290	**-**	**-**	**-**	**-**	**2,290**
Total funds	**29,769**	**2,284**	**(945)**	**-**	**-**	**31,108**

14. FUNDS (continued)

2025	Brought Forward at 1 April 2024 £000	Income £000	Expenditure £000	Revaluations and losses £000	Transfers £000	Carried Forward at 31 March 2025 £000
Unrestricted funds						
General fund	2,352	371	(850)	-	104	1,977
Designated funds						
Operational Assets Equity Fund	24,526	-	-	-	(104)	24,422
Operational Risk Reserve	1,030	-	-	-	-	1,030
Property Emergency Repair Fund	50	-	-	-	-	50
	25,606	-	-	-	(104)	25,502
Restricted funds						
Lucy McNeil Fund	1,849	-	-	-	-	1,849
St Albans Fund	441	-	-	-	-	441
	2,290	-	-	-	-	2,290
Total funds	30,248	371	(850)	-	-	29,769

15. DESCRIPTION OF FUNDS

General Fund
Assets held in the General Fund are available for the general purposes of the charity.

Designated Funds
The trustees have designated these unrestricted funds for use for specific purposes as detailed below.

Restricted Funds
These are funds where there is a restriction imposed either by the donor or the charity setting out conditions under which funds may be used.

Designated Funds

Operational Assets Equity Fund
Established by the trustee to reflect the value of fixed asset properties owned by the charity which would not be capable of disposal without affecting the ongoing work of the charity. During the year a transfer has been made to match the value of this fund to the value of the assets owned by the charity.

Operational Risk Reserve
This fund consists of funds required to ensure the continuity of care in the event of a major disruption to the operation of the charity.

Property Emergency Repair Fund
This fund has been established to ensure that funds are set aside to deal with any emergency repairs required to principally any of this charity's properties, but the fund may be used for any emergency property repairs. In general, all repairs to property occupied by the Pilgrim Homes Restricted Fund will be carried out under the auspices of that Fund and the value gifted to this charity by way of an *in-specie* grant. A cash reserve of at least £50,000 will be maintained within the charity to enable these funds to be accessible in an emergency.

Restricted Funds

St Albans and Lucy McNeil Home Funds
These funds, accepted on 31 March 2020 as part of the transfer from Pilgrims' Friend Society, relate to the receipt of donations and the proceeds of various fundraising activities for the purpose of establishing new homes.

16. RELATED PARTY TRANSACTIONS

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

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

Details of trustees and key management personnel are given on page 1. No remuneration or reimbursed expenses are paid to any of them from this charity.

There are no other related party transactions.

17. LIFE TENANCY

In 2012 the charity was notified of a legacy which included a share of a freehold property, which is subject to a life tenancy. The conditions for recognition of this income have not been met and therefore this legacy is not included as income in the accounts. The estimated value of the legacy is unknown at present.

18. CHURSTON FERRERS OVERAGE

The sale of the land at Churston Ferrers included an overage agreement stating that Pilgrim Homes Trust will receive payment if planning permission is granted on the land disposed of before 2052.