PILGRIMS' FRIEND SOCIETY (RP)
(formerly known as Bridge Care Limited)

Financial Statements

For the year ended 31 March 2026

COMPANY NUMBER 2001246

CHARITY NUMBER 299400

Registered with the Regulator of Social Housing No L3921

PILGRIMS' FRIEND SOCIETY (RP)

Contents of the financial statements
For the year ended 31 March 2026

Page	
1	Trustees' report – statutory information
2 - 6	Trustees' report
7 - 10	Independent auditor's report
11	Statement of comprehensive income
12	Balance sheet
13	Statement of cash flows
14 - 25	Notes to the financial statements

PILGRIMS' FRIEND SOCIETY (RP)

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

DIRECTORS AND TRUSTEES

Andrew Symonds
John Edwards
Tilly Wood
Alan Copeman
Sheila Warnes

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

PREVIOUS NAME: Bridge Care Limited
COMPANY NUMBER 2001246
CHARITY NUMBER 299400

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 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.

Pilgrims' Friend Society Group was established to research the market for charitable support for older people and to commend to all charities within the group appropriate strategies and policies. Pilgrims' Friend Society (RP) (formerly called Bridge Care Limited) trustees have adopted these for the Pilgrims' Friend Society (RP) charity.

The charity is constituted as a company limited by guarantee and is therefore governed by a memorandum and articles of association. It has no share capital. The extent of the guarantee of the Trustees is £1 each.

From 1 October 2024, Pilgrims' Friend Society (RP) joined Pilgrims' Friend Society Group as a 100% subsidiary of Pilgrims' Friend Society Group.

OBJECTIVES AND ACTIVITIES

The charity's object and its principal activity continues to be that of operating a high-quality purpose-built residential home for the frail and elderly in Bath. The first residents moved in during March 1992. The home provides a mix of residential and nursing care for up to 32 residents. One room is set aside for Respite Care. A day-care service (Day Club) is also normally provided on weekdays.

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

The charity joined the Pilgrims' Friend Society (PFS) family on 1 October 2021. This means that the Bridgemead residential care home is supported by the team from PFS and the governance of the charity sits within the governance framework of the PFS family.

The home has been well used during the year, and many people have been blessed by the care provided and Christian ethos of the home. A significant project to protect the home from floor risk was overseen by the PFS Property Service team.

More detail on the performance of the PFS family of charities can be seen in the report and accounts of Pilgrims' Friend Society Group charity.

FINANCIAL REVIEW

The Statement of Comprehensive Income shows an operating surplus of £71k (2025: £50k). After adjusting for interest receivable and other income the surplus for the year is £136k (2025: £117k).

Total funds increased to £1,701k (2025: £1,565k) of which £23k were restricted reserves (2025: £135k). Cash at bank and in hand was £93k (2025: £1,066k).

The key event in the year was completing a £1.7m project to enhance the protection of residents from flooding. This was part funded by cash that the charity had available with the balance coming from a loan from Pilgrims' Friend Society (PFS).

INVESTMENT POLICY

During the year the charity realised its investments as its share of the projected £1.7m cost of the flood defence scheme. The charity's investments are detailed in note 10 to these accounts.

RESERVES POLICY

As part of the PFS family the charity sits within reserves framework for the PFS family. The charity expects to have three months operating costs available as reserves available from its own resources or as a commitment from other PFS group charities.

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.

RISK MANAGEMENT

The charity sits within the risk framework for the PFS group as detailed in the report and accounts of Pilgrims' Friend Society Group charity. A comprehensive register of risks is maintained which is reviewed by Key Management Personnel at their monthly meetings and by trustees at every trustee meeting. Risks are rated as to both their likelihood and severity.

Within this framework, the Trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

The major risks to the Charity are set out in the report for Pilgrims' Friend Group, and those risks most relevant to the charity are:

- a drop in bed occupancy leading directly to a reduction in fee income. This is mitigated by regular monitoring of occupancy and tight financial control.
- inability to maintain adequate staffing levels due to well documented pressures within the care sector.
- proximity of the River Avon and the attendant flood risk pending the completion of the defence works. Regular reviews and training of staff take place in relation to all emergency procedures.

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

Pilgrims' Friend Society (RP) does not solicit donation separate from the fundraising undertaken by Pilgrims' Friend Society (PFS). PFS does not employ outside or commercial fund-raisers. PFS makes sure that supporters of the PFS family are kept up to date with our work and that they can give to support it. PFS issues a magazine twice a year and solicits prayer for the work of the charity. Both the magazine and the prayer updates issued by the charity may include mention of financial needs. No complaints have been received in the year about our fundraising. Pilgrims' Friend Society is registered with the Fundraising Regulator.

VALUE FOR MONEY STATEMENT

The charity has assessed how it has achieved value for money in delivering its purposes and objectives during the year. Competitive tenders from a minimum of three providers are always sought for new projects and existing contracts are regularly reviewed to ensure ongoing value for money.

VALUE FOR MONEY METRICS

	Metric	2026	2025	Benchmark
1	Reinvestment %	67.84%	1.78%	3.00%
2a	New supply delivered % (social housing units)	0%	0%	0.30%
2b	New supply delivered % (non-social housing units)	0%	0%	0%
3	Gearing %	-4.30%	-135.28%	-0.10%
4	EBITDA MRI interest cover %	N/A	N/A	232.20%
5	Headline social housing cost per unit	£67,400	£68,300	£16,867
6a	Operating margin % (social housing only)	4.06%	3.17%	8.80%
6b	Operating margin % (all units)	3.20%	2.25%	6.20%
7	ROCE %	3.75%	2.82%	3.40%

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 Trust (charity no. 1183226, company no. 11685624)
    d. Pilgrim Homes (charity no. 242266)
    e. Strathclyde House Trust (charity no. SC025550, company no. SC169848)
    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 Pilgrims' Friend Society (RP) 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 and Housing Association legislation 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 Housing 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, the Housing and Regeneration Act 2008, Accounting Direction for Private Registered Providers of Social Housing in England 2022 and the Statement of Recommended Practice for Registered Social Housing Providers (Housing SORP 2018). 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

Alan Copeman

A Copeman
Trustee

Date: 16 July 2026

Independent auditor's report to the trustees of Pilgrims' Friend Society (RP)
For the year ended 31 March 2026

OPINION

We have audited the financial statements of Pilgrims' Friend Society (RP) (the charity) for the year ended 31 March 2026 which comprise the Statement of Comprehensive Income, 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 income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing in England 2022.

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 or the Housing and Regeneration Act 2008 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.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

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, the Companies Act 2006 and the Housing and Regeneration Act 2008.

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
- fraudulent extraction of cash or payment of fake invoices
- disclosure of capital commitments or provisions

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

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

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

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

Independent auditor's report to the trustees of Pilgrims' Friend Society (RP) (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

PILGRIMS' FRIEND SOCIETY (RP)

Statement of Comprehensive Income
For the year ended 31 March 2026

	Note	2026 £000	2026 £000	2025 £000	2025 £000
Turnover	**2,3**		**2,217**		2,224
Operating expenditure	**2,3,4**		**(2,146)**		(2,174)
Operating surplus			**71**		50
Interest receivable	**5**	**16**		10	
Net gains on investments		**-**		22	
Other income	**6**	**49**		35	
			65		67
Surplus for the year before taxation	**7**		**136**		117
Taxation			**-**		-
Surplus for the year			**136**		117

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

The Statement of Comprehensive Income was approved by the Trustees on 16 July 2026 and signed on their behalf by:

Allan Copeman

A Copeman
Trustee

John Edwards

J Edwards
Trustee

The notes on pages 14 to 25 form part of these financial statements.

PILGRIMS' FRIEND SOCIETY (RP)

Balance sheet
As at 31 March 2026

	Note	2026 £000	2026 £000	2025 £000	2025 £000
Fixed assets					
Tangible assets	**9**		**2,234**		792
Current assets					
Debtors and prepayments	**10**	**27**		151	
Cash at bank and in hand		**93**		1,066	
		120		1,217	
Creditors: Amounts falling due within one year	**11**	**(460)**		(239)	
Net current assets			**(340)**		978
Total assets less current liabilities			**1,894**		1,770
Creditors: Amounts falling due after more than one year	**12**		**(193)**		(205)
Net assets			**1,701**		1,565
Capital and reserves:	**14**				
General reserves			**1,678**		1,430
Restricted reserves			**23**		135
Total Funds			**1,701**		1,565

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

Alan Copeman

A Copeman
Trustee

John Edwards

J Edwards
Trustee

Company Registration No: 2001246

The notes on pages 14 to 25 form part of these financial statements.

PILGRIMS' FRIEND SOCIETY (RP)

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		
Surplus for the year	**136**	117
Interest and dividends included in investing activities	**(16)**	(10)
Depreciation	**24**	40
Net gains on investments	**-**	(22)
Net cash provided by trading and donations	**144**	125
Working capital movements		
Decrease in stocks	**-**	5
Decrease in debtors	**124**	68
Increase/(decrease) in creditors	**221**	(1)
Net cash provided by working capital movements	**345**	72
Net cash provided by operating activities	**489**	197
Cash flows from investing and financing activities		
Tangible fixed assets		
Payments on additions of tangible fixed assets	**(1,466)**	(14)
Proceeds on disposal of tangible fixed assets	**-**	-
Net cash (used in) tangible fixed assets	**(1,466)**	(14)
Fixed asset investments		
Interest and dividends received	**16**	10
Proceeds on disposal of fixed asset investments	**-**	709
Net cash provided by fixed asset investments	**16**	719
Financing activities		
Repayment of grants	**(12)**	(12)
Net cash (used in) financing activities	**(12)**	(12)
Net cash provided by investing and financing activities	**(1,462)**	693
Net cash (outflow)/inflow	**(973)**	890
Cash and cash equivalents at 1 April 2025	**1,066**	176
Cash and cash equivalents at 31 March 2026	**93**	1,066

The notes on pages 14 to 25 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 applicable accounting standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), the provisions of the Statement of Recommended Practice for Registered Social Housing Providers 2018 ("Housing SORP"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for Charities applying FRS 102, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing in England 2022, 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)

The charity has developed a single building. Only 10 rooms out of 32 are classified as housing property by the Homes and Communities Agency. All costs of development have been allocated proportionate to cost as calculated by the Quantity Surveyor. Costs include:

a) Cost of land acquisition
b) Cost of building construction
c) Interest charged on loans during the development phase, and
d) Development expenditure

Expenditure on existing properties is capitalised when works result in an enhancement of economic benefits of the asset. Where appropriate, the historic cost less accumulated depreciation of any replaced components is released from the asset and recognised as a loss on disposal.

All invoices and architects' certificates relating to capital expenditure incurred in the year at net value after retentions are included in the financial statements for the year, provided that the dates of issue or valuation are prior to the year-end.

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
Flood defence	33 years
Bathrooms and lifts	20 years
Boilers	15 years
Furniture and equipment	5 - 10 years
Hard landscaping	5 years
Computer equipment	4 years

Buildings have been changed from 50 to 100 years to be in line with group policies.

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.

Government Grants (including Social Housing Grant) is recognised under the accrual model as a grant relating to assets in income on a systematic basis over the expected useful life of the housing property assets

1. ACCOUNTING POLICIES (continued)

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.

1i. Leases

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

1j. 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.

1l. Debtors

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

1m. Cash and cash equivalents

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

1n. Creditors and provisions

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

1o. Financial instruments

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

2. PARTICULARS OF TURNOVER, COST OF SALES, OPERATING COSTS AND OPERATING SURPLUS

	2026 Turnover	2026 Operating Costs	2026 Operating Surplus / (Deficit)	2025 Turnover	2025 Operating Costs	2025 Operating Surplus / (Deficit)
	£000	*£000*	*£000*	*£000*	*£000*	*£000*
Social Housing Lettings						
SHG funded residential care	690	(662)	28	693	(671)	22
Non-SHG funded residential care	1,519	(1,484)	35	1,523	(1,503)	20
	2,209	(2,146)	63	2,216	(2,174)	42
Non-Social Housing Activities						
Day care services	8	-	8	8	-	8
	8	-	8	8	-	8
	2,217	(2,146)	71	2,224	(2,174)	50

At 31 March 2026 there were 32 bed spaces (2025: 32) of which 10 were funded by the Social Housing Grant.

The average weekly residential care accommodation charge was £1,427 (2025: £1,376).

3. PARTICULARS OF INCOME AND EXPENDITURE FROM SOCIAL HOUSING LETTINGS

	2026			2025		
	SHG Funded	Non-SHG Funded	Total	SHG Funded	Non-SHG Funded	Total
	£000	*£000*	*£000*	*£000*	*£000*	*£000*
Income from lettings						
Rents receivable net of identifiable service charges	728	1,602	2,330	698	1,535	2,233
Gross rents receivable	728	1,602	2,330	698	1,535	2,233
Less: Rent losses from voids	(38)	(83)	(121)	(5)	(12)	(17)
Turnover from social housing lettings	690	1,519	2,209	693	1,523	2,216
Expenditure on social housing lettings						
Services	101	223	324	102	225	327
Management expenses	20	44	64	38	85	123
Maintenance	24	53	77	30	66	96
Nursing care	529	1,164	1,693	513	1,127	1,640
Grant income	(12)	-	(12)	(12)	-	(12)
Operating costs on social housing lettings	662	1,484	2,146	671	1,503	2,174
Operating surplus on social housing lettings	28	35	63	22	20	42

4. STAFF COSTS

	2026 £000	2025 £000
Wages and salaries: Homes employees	**1,385**	1,402
Wages and salaries: Shared Services	**95**	82
Social security costs	**169**	126
Pension costs	**51**	36
	1,700	1,646

Redundancy payments are recognised when there is a legal or constructive obligation arising. No redundancy costs are included in the above costs and there were no redundancy or termination payments outstanding at the balance sheet date.

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

	No	No
Homes	**55**	58
Property, care, finance, HR and management	**4**	4
	59	62

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

	No	No
Homes	**32**	35
Property, care, finance, HR and management	**3**	3
	35	38

The emoluments of no employees exceeded £60,000 in the year ended 31 March 2026 (2025: none).

No remuneration or expenses were paid to any trustee during the year.

The total aggregate remuneration of Key Management Personnel for the year was £nil (2025: £58,000). The Senior Management Team of Pilgrims' Friend Society are now considered Key Management Personnel.

5. INTEREST RECEIVABLE

	2026 £000	2025 £000
Interest receivable on bank deposits	**16**	10

6. OTHER INCOME

	2026 £000	2025 £000
Donations, grants and legacies	**49**	35

7. SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION

	2026 £000	2025 £000
This is stated after charging:		
Depreciation	**24**	40
Auditors' remuneration for audit services	**5**	5
Auditors' remuneration for other services	**2**	2

8. TAXATION

As a charity, Pilgrims' Friend Society (RP), is exempt from tax on income and gains to the extent that these are applied to its charitable objectives. No tax charges have arisen in the Charity.

9. TANGIBLE FIXED ASSETS

	Freehold and leasehold properties £000	Furniture, fixtures and fittings £000	Total £000
Cost			
As at 1 April 2025	**2,074**	**208**	**2,282**
Additions	**1,394**	**72**	**1,466**
Disposals	**-**	**-**	**-**
As at 31 March 2026	**3,468**	**280**	**3,748**
Depreciation			
As at 1 April 2025	**1,286**	**204**	**1,490**
Charge for the year	**21**	**3**	**24**
Released on disposals	**-**	**-**	**-**
As at 31 March 2026	**1,307**	**207**	**1,514**
Net book value			
As at 31 March 2026	**2,161**	**73**	**2,234**
As at 31 March 2025	**788**	**4**	**792**

9. TANGIBLE FIXED ASSETS (continued)

Total expenditure on works to existing properties comprised:

	2026 £000	2025 £000
Amounts capitalised	1,394	14
Amounts charged to income and expenditure	14	30
	1,408	44

10. DEBTORS AND PREPAYMENTS

	2026 £000	2025 £000
Care and accommodation charges	**25**	94
Prepayments and accrued income	**2**	57
	27	151

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

	2026 £000	2025 £000
Trade creditors	**17**	41
Social security and other taxes	**32**	21
Accruals	**135**	159
Other creditors	**276**	18
	460	239

12. CREDITORS AND ACCRUALS: amounts falling due after more than one year

	2026 £000	2025 £000
Government grant	**193**	205

13. CONTINGENT LIABILITIES

The social housing grant received by Pilgrims' Friend Society (RP) and shown in note 12, is repayable in full under certain circumstances such as the sale of the Bridgemead property without reinvestment. The total amount received to date is £604,412.

14. RESERVES

2026	Brought Forward at 1 April 2025 £000	Income £000	Expenditure £000	Transfers £000	Carried Forward at 31 March 2026 £000
Unrestricted funds					
General fund	**1,430**	**2,236**	**(2,146)**	**158**	**1,678**
Restricted funds					
The Ray King Memorial Fund	**18**	**1**	**-**	**-**	**19**
Projects fund	**4**	**-**	**-**	**-**	**4**
Homes Voluntary Support Fund	**-**	**25**	**-**	**(25)**	**-**
Flood resistance fund	**113**	**20**	**-**	**(133)**	**-**
	135	**46**	**-**	**(158)**	**23**
Total funds	**1,565**	**2,282**	**(2,146)**	**-**	**1,701**

14. RESERVES (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	1,346	2,236	(2,174)	22	-	1,430
Restricted funds						
The Ray King Memorial Fund	16	2	-	-	-	18
Projects fund	4	-	-	-	-	4
Flood resistance fund	82	31	-	-	-	113
	102	33	-	-	-	135
Total funds	1,448	2,269	(2,174)	22	-	1,565

15. DESCRIPTION OF FUNDS

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

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.

Restricted Funds

The Ray King Memorial Fund
This fund has been established to top up fees paid by Social Services to the level paid by private residents.

Projects Fund
This fund consists of donations received towards the costs of various projects carried out at Bridgemead.

Homes Voluntary Support Fund
This fund consists of a donation received towards some furniture. A transfer was made to the general fund as the furniture was capitalised.

Flood Resilience Fund
This fund consists of donations made specifically towards the ongoing redevelopment of Bridgemead. A transfer to general funds has been made in relation to the capital expenditure on the flood defences in the year.

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 Pilgrims' Friend Society (RP) 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. LEASING COMMITMENTS

Operating leases

The charitable company's total future minimum lease payments under operating leases at 31 March 2026 were payable as set out below:

	2026 £000	2025 £000
Within one year	**9**	12
Within two to five years	**17**	35
	26	47
Expense	**12**	6