

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

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

**CHARITY REGISTRATION NO: 215174  
SCOTTISH CHARITY REGISTRATION NO: SC037691**

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## INTRODUCTION FROM THE TERRITORIAL LEADERS

Commissioner Paul Main and Commissioner Jenine Main

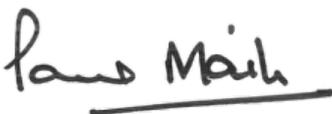
As Territorial Leaders of The Salvation Army in the United Kingdom and Ireland, it is with immense gratitude that we introduce this Annual Report and Accounts for the Salvation Army Social Work Trust for 2024/25. Over the year we had the wonderful and humbling privilege of journeying right across the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

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

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

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

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

A handwritten signature in black ink that reads "Paul Main". The signature is written in a cursive style and is underlined with a single horizontal line.

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

## THE OBJECTS OF THE SALVATION ARMY SOCIAL WORK TRUST

Promoting the charitable work of The Salvation Army in such one or more of the following ways as The Salvation Army Trustee Company shall think fit, namely:

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

## OUR VISION, MISSION AND VALUES

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

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

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

### Our Vision Statement:

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

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

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

## Our Five Mission Priorities:

### Our Mission:

To *share* the good news

To *serve* others without discrimination

To *nurture* disciples of Jesus

To *care* for creation

To *seek* justice and reconciliation

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

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

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

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

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

good life. Peace and fullness of life is possible when justice and reconciliation are priorities in the lives of individuals, communities and nations. The Salvation Army is committed to work in partnership for these ends.

## Our Values

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

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

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

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

## Our Statement of Commitment:

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

**'Love God, Love Others'**

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

## EXPLAINING OUR STRATEGY, STRUCTURE AND OPERATION

### Our two principal charitable registrations:

The Salvation Army operates through two principal charitable trusts: The Salvation Army Social Work Trust (this report) and The Salvation Army Trust.

This Report and Accounts outlines the work of **The Salvation Army Social Work Trust (Charity Registration number 215174)**, which is the charity registration through which we manage our extensive residential and regulated programmes for people experiencing homelessness our care homes for older people, residential detox centres, family centres, refuges for victims of domestic violence, safe houses and services for the victims and survivors of modern slavery and human trafficking, and our Employment Plus services. Some of these services, whilst centrally regulated, are run at corps (church) and community centres and complement the other locally based services, for example, employment programmes. The consolidated accounts also include Salvation Army Homes (SAH), Kingsown Limited and SAH Development Limited which are subsidiaries of The Salvation Army Trust.

These services are managed in a top-down model due to the vulnerability of the people needing help and because of statutory regulations and contract requirements. Much of the funding for The Salvation Army Social Work Trust derives from government and local authority contracts and substantial, additional funding comes from The Salvation Army Trust.

The work of The Salvation Army Social Work Trust does not represent the entirety of The Salvation Army's work in the UK. Alongside our centrally managed and coordinated services which this report covers, we run extensive programmes of engagement and support which are delivered through our 589 local corps (churches) and our community centres. Much of the funding for the work of The Salvation Army Trust derives from public donations, legacies, trading activities and church members. Whilst this is still the 'work' of The Salvation Army, the finances of these locally based operations are managed and reported on through a separate charity registration, **The Salvation Army Trust (Charity Registration number 214779)** which has its own Report and Accounts and form a 'sister' publication to this one.

Together both Trusts reflect the life and work of The Salvation Army as a whole and exist to enable effective management and accountability for the two main ways in which we work.

### Our organisation

The Salvation Army was founded in 1865 by William and Catherine Booth and currently operates in 134 countries. The world leadership of The Salvation Army is provided by The General of The Salvation Army.

The General is assisted by officers and staff based at International Headquarters in London. The current General is Lyndon Buckingham who was elected in May 2023.

The United Kingdom and Ireland Territory is under the command of a Territorial Commander, appointed by The General and responsible to him/her for the day-to-day administration of Salvation Army work throughout the British Isles, including the Channel Islands, the Isle of Man and the Republic of Ireland. Commissioners Paul and Jenine Main are the leaders of The Salvation Army in the UK and Republic of Ireland, having been appointed in January 2024.

## Summary of what The Salvation Army Social Work Trust does

- We provide single people and families who are experiencing homelessness and people suffering from addictions with high-quality residential accommodation, care and support, encouraging their ability to live independent and positive lives.
- We provide vulnerable older people, particularly those with limited resources, with residential care which recognises individuality and the spiritual dimension to life.
- We provide unemployed people, including those in our residential homelessness centres, with back-to-work schemes through Employment Plus.
- We provide survivors and potential victims of modern slavery specialist support which includes transport, a safe place to stay and outreach support, as well as community integration as they continue their journey of recovery and rebuilding their lives.
- We reunite families who have lost contact and help to bring about happy reunions.
- We work in partnership with local authorities and other agencies where relevant to provide the best outcomes for our service users.
- We speak with national and local government to influence policy on issues affecting our service users.
- We strive to achieve our vision of ‘fullness of life for all with Jesus’ in everything we do through five Mission Priorities: share the good news, serve others without discrimination, nurture disciples of Jesus, care for creation, seek justice and reconciliation. Operationally we are prioritising transformation, integration and streamlining to increase our effectiveness and impact.

## The scale of the work of The Salvation Army Social Work Trust in the UK

### **12 Care Homes for Older People**

Belfast:	Sir Samuel Kelly Care Home (accommodation 56)
Buxton:	The Hawthorns (acc 27)
Coventry:	Youell Court (acc 40)
Edinburgh:	Davidson House (acc 40), Eagle Lodge (acc 35)
Hassocks:	Villa Adastra (acc 40)
London:	Glebe Court, Lewisham (acc 36)
North Walsham:	Furze Hill House (acc 40)
Prestwich:	Holt House (acc 31)
Sandridge:	Lyndon (acc 32)
Southend-On-Sea:	Bradbury Home (acc 34) - closed Dec 2024
Weston-super-Mare:	Dewdown House (acc 40)

### **9 Centres for Families (Residential)**

Belfast:	Glen Alva (acc family units 20, max 77 residents)
Belfast:	Grosvenor House (acc family units 19, max 76 residents)
Belfast:	Thorndale Parenting Assessment (3 family units)

Belfast: Thorndale Family Centre (family units 31, single bedrooms 4, max 125 residents)  
 Fleetwood: George Williams House (acc family units 9, max 36 residents)  
 Milton Keynes: Springfield House (acc 16 flats)  
 Portsmouth: Catherine Booth House (acc family units 21, max 40 residents)  
 Portsmouth: St Paul's House (acc family units 21, max 84 residents)  
 Portsmouth: St Monica's House (acc family units 10, max 40 residents)

**2 Centres for People with Learning Disabilities**

Kilbirnie: George Steven Community Hub  
 Liverpool: Strawberry Field

**Centre for Employment and Training**

Hadleigh: Hadleigh Farm Estate

**5 Centres for Single Homeless Young People**

Cardiff: Northlands (acc 26)  
 Cardiff: Ty Diogel (accom 8), Age Assessment House (accom 6),  
 Fleetwood: George Williams House (acc 6)  
 London: Springfield Lodge (acc 40)  
 London: Greig House, Tower Hamlets (accom 20)

**5 Homelessness Day Care / Drop-In**

Bradford: Day Centre  
 Edinburgh: Niddry Street  
 London: No 10 Project  
 Norwich: Pottergate Arc  
 Coventry: STEPS

**4 Housing First Programmes**

Cardiff  
 Glasgow  
 South Lanarkshire  
 Merthyr Tydfil

**11 Non-Residential Homelessness Services**

Aberdeenshire Floating Support  
 Cardiff Floating Support and outreach services  
 Early Intervention Project - York  
 Inverness Floating Support  
 Greenock Floating Support  
 Glasgow WAY-Finder Outreach Service  
 Southwark Floating Support  
 North West Refugee Floating Support  
 Denbighshire floating support  
 Booth House Swindon - Floating Support  
 Newport Outreach Support Service

**43 Centres for Single Homeless (Adults)**

Belfast: Centenary House (acc 88) and Calder Fountain (acc 12)  
 Blackburn: Bramwell House (acc 55)  
 Bradford: The Orchard (acc 42)  
 Braintree: New Direction Centre (acc 14)

Bristol:	Logos House (acc 83)
Cardiff:	Tŷ Gobaith (acc 70)
Coventry:	Harnall (acc 85), Axholme House (acc 32)
Denbighshire multi occupancy housing support -	1 current house with 6 bedrooms and another 4 coming on in the coming year. Total capacity of citizens across the 5 properties (including 35 River Street) is 81.
Dundee:	Strathmore Lodge (acc 25), Burnside Mill (acc 20)
Edinburgh:	The Pleasance (acc 38), East Adam Street (acc 8)
Cambuslang:	Eva Burrows 1st Stop Project (acc 32),
Glasgow:	Huntershill Court (acc 14), Wallace of Campsie House (acc 52), William Hunter House (acc 37)
Grimsby:	The Booth Lifehouse (acc 35)
Hamilton:	Support Service (acc 150)
Huntingdon:	Kings Ripton Court (acc 36)
Ipswich:	Lyndon House (acc 38)
Liverpool:	Ann Fowler House (acc 38), Darbyshire House (acc 45)
London:	Cambria House (acc 48), Founders House (acc 123), Riverside Complex (acc 60), St Ann's - NHS (Acc 5 & Working beds 4)
Manchester:	Discovery House (acc 10), Endeavour House (acc 15), Independence House (acc 15)
Perth:	Skinnergate (acc 30)
Plymouth:	Devonport House (accom 60), Zion House 12 flats
Reading:	Shepton House (acc 16), Willow House (acc 38)
Ryde, IOW:	Fellowship House (acc 26), Melville Street (acc 7), Carisbrooke Priory (acc 14)
St Helens:	Salisbury House (acc 64)
Sheffield:	Charter Row (acc 55), Lincoln Court (acc 11 self-contained units)
Skegness:	Witham Lodge (acc 28), Rookery Nook (acc 11)
Southampton:	Booth Centre (acc 46 +10 'somewhere safe to stay')
Sunderland:	Swan Lodge (acc 65)
Swindon:	Booth House (acc 50)
Warrington:	James Lee House (acc 54)

### ***Family Services***

Birmingham Shepherds Green House (19 families Domestic Abuse Service)

### ***Veterans Services***

Wrexham: Tŷ Dewr (acc 12)

### ***3 Child Contact Centres***

Worthing

Winton

Birmingham

### ***ATMS Safe Houses***

Bradford: 14 beds

Leeds: 6 beds

Leeds: 3 beds

Newcastle: 15

London (Westminster): 15

London (West London): 15

Nottingham: 8

Bath: 32

### ***ATMS Outreach Services***

London - Outreach  
Nottingham - Outreach  
Derby - Outreach  
Leicester - Outreach  
Northampton - Outreach

Registered with Care Inspectorate Wales  
Cardiff Ely Creche

In addition, our Employment Plus programmes operates at 290 locations across the UK, supporting, coaching and helping thousands of people into work across the UK. We also operate an extensive network of safe houses for the survivors of modern slavery.

## How We Work

Our Social Work Trust, for which this is the Annual Report and Accounts, is the charitable registration through which we allocate and manage funds for our (principally) residential centres and centrally co-ordinated operations. Much of the funding for this work is received through government and local authority contracts and grants, with the cost of the additional support, wellbeing and training services being met from a grant from our sister charity, The Salvation Army Trust. To see the full picture of our work, you will need to read both sets of Reports and Accounts.

While The Salvation Army Social Work Trust is not unique as a provider of centrally co-ordinated residential and support services, it is certainly distinctive in terms of its structure, and this distinctiveness gives us a real opportunity to go about our work in impactful ways.

The Salvation Army is a church and charity that doesn't just help people by providing immediate, practical support to overcome issues such as addiction, homelessness, social isolation or poverty and recovery from slavery; it also strives to address the reasons that cause these situations, with a view to effecting sustainable change in individuals and society at large.

What sets The Salvation Army apart from other organisations is that we have the combined strength of our centrally co-ordinated services and our locally co-ordinated churches and community centres which are all playing their part to bring about positive change. When this really comes together, as it does in many places across the UK, it models what we call 'integrated mission'.

Many of the programmes funded by The Social Work Trust support people facing complex challenges. Therefore, a more centralised organisational approach is appropriate for people experiencing homelessness or a survivor of modern slavery or a person recovering from addiction. Many of these services are also regulated and therefore require centralised or coordinated reporting.

This contrasts to the approach used in many of the programmes funded by the Salvation Army Trust which tend to be less centralised and more 'organism' than 'organisation'. The Salvation Army accommodates these differences through different management structures to ensure support and oversight is appropriate in differing contexts.

Our strategy in the Social Work Trust has been to ensure that the work whether it is residential or delivered locally, is effective and efficient, compliant, and as transformative and as supportive as possible, and that all we do starts with the needs of people we serve. That is why in addition to statutory funding we are committed to deploying additional Salvation Army funds granted to the Social Work Trust from The Salvation Army Trust, in order to provide the best possible additional support services we can, in order to achieve the best outcomes for the people in our care.

While we have ongoing contractual commitments which it is our mission to meet, we are always looking to ensure that opportunities to make additional differences are identified, assessed, and when possible seized. Our strategy therefore is one of controlled and best possible ongoing delivery, and at the same time a disciplined ambition to do as much as we can in ways that are as meaningful and innovative as we can, in as much of the UK as we can.

The Salvation Army Trust provides, and cross charges for, centrally co-ordinated facilities - such as HR, finance, property, IT, PR and media support to The Salvation Army Social Work Trust. This approach enables us to be efficient and effective in the use of resources.

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

Our extensive, centrally coordinated work is funded by The Salvation Army Social Work Trust ('The Social Work Trust'). It includes residential programmes for people experiencing homelessness, addictions services, older people's care homes, employment services and family centres.

Much of the funding for this work derives from government and local authority contracts, and substantial supplementary transfers from The Salvation Army Trust.

This year we have and will continue to focus on two of our largest operations: modern slavery and homelessness but we also illustrate other vital areas of mission that is funded through The Social Work Trust.

### **General election - seeking the best for our communities**

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

## **Anti-trafficking and modern slavery**

### **Why we do this work**

The Salvation Army has supported and worked with people who have been trafficked and exploited since 1865. Today this work continues within The Anti-Trafficking and Modern Slavery Department (ATMSD) in the United Kingdom and Ireland Territory (UKIT).

Victims of human trafficking and modern day slavery have been subjected to forced labour, sexual exploitation, domestic servitude, and criminal exploitation. They have often experienced long-lasting trauma, stigma, and barriers to recovery. Many lack access to safe and stable housing, mental health support, education, employment, and legal representation.

During the year, we remained dedicated to our mission:

- preventing modern slavery and human trafficking

- protecting survivors
- supporting their journey towards sustained freedom
- enhancing community resilience against trafficking.

### Trusted to make a difference

The Salvation Army has held the Modern Slavery Victim Care Contract (MSVCC) for England and Wales since July 2011. Survivors of modern slavery can receive support at all stages of their recovery, including:

- Legal and financial support
- Medical care
- Counselling
- Education opportunities
- Safe place to live
- Outreach support
- Specialist support worker
- Interpreting services

This year, we marked the 14th year of providing specialist support. We worked with specialist partners and also had our own Direct Delivery service, offering safe house accommodation and outreach support.

Last year there were 2,741 referrals through the MSVCC:

- 1,660 (61%) identified as male
- 1,075 (39%) identified as female
- 6 (>1%) identified as transgender

Nature of exploitation:

- 1,754 (64%) experienced forced labour
- 533 (19%) experienced sexual exploitation
- 277 (10%) experienced criminal exploitation
- 158 (6%) experienced domestic servitude
- 17 (1%) experienced complex, unknown form of exploitation
- 2 (>1%) experienced organ removal

Taking into account those people already in the service, a total of **9,818 people** received support during the year.

### Speaking out for victims

Source: <https://www.salvationarmy.org.uk/news/new-bill-may-leave-modern-slavery-victims-without-protection>

The Border Security, Asylum and Immigration Bill was introduced on 30 January 2025. We were pleased to see that it repealed many of the harmful modern slavery provisions in the Illegal Migration Act 2023. Our concern was that, if enforced, it could have denied protection and support to many survivors who arrived or were trafficked into the UK by irregular routes.

We also welcomed the removal of the Safety of Rwanda Act. This could have subjected survivors of modern slavery to deportation instead of receiving the specialist care and support they need to recover from exploitation.

However, we expressed concern that the new Border Security, Asylum and Immigration Bill did not go far enough to ensure all slavery survivors could access the vital support services we and our partners provided.

This is because it has kept a measure from the Illegal Migration Act regarding people who could be disqualified from protection because they have previously had a prison sentence. We believe it risked excluding trafficking survivors who were forced to commit crimes under duress by their traffickers from receiving support.

We know that many of the survivors we support at The Salvation Army are forced into criminality by their exploiters. We were disappointed that there were not opportunities to share our expertise on the needs of survivors - expertise we have gained by listening to their voices - before this Bill was published.

### **Cuts to backlog welcomed**

Data released by the Home Office showed a reduction by almost 40 per cent since last year in the backlog of decisions in conclusive grounds cases for people in the National Referral Mechanism. This is the government's system for identifying and protecting potential victims of modern slavery.

We were greatly encouraged by the news. These decisions came after thorough review of each person's case by the Government and were a crucial step in enabling survivors to move forward towards independence with greater certainty.

Major Kathy Betteridge, Director of Anti Trafficking and Modern Slavery for The Salvation Army said: 'The people we support tell us that living in limbo can cause unnecessary additional stress in their lives when they have already endured profound suffering at the hands of their exploiters. Survivors and their support workers will join us in welcoming this news.'

### **Working collaboratively**

#### **The advantage of being an international movement - BEYOND programme**

This programme supported slavery survivors through Salvation Army networks internationally. It connected survivors and their families with information and support, recognising that survivors' lives often extended beyond borders.

It focussed on return and re-integration, support to family separated overseas and cultural exchange. It did this through working with designated referral partners in the UK and internationally using the National Contact Persons (NCPs) around the world.

Over 120 NCPs responded to trafficking through the international strategy. Each NCP was a designated 'point person' to respond to modern slavery and human trafficking in their territory. They connected, shared best practice, undertook training and learned from one another.

Lieut-Colonel Jin-young Ma from The Salvation Army's Korea Territory said: 'I have been an NCP for almost two and a half years. My role involves raising awareness in a variety of ways. This includes encouraging participation in the International Day of Prayer for Victims of Human Trafficking in September and conducting awareness training.'

Last year our international work through NCPs:

- assisted 57 survivors with international return
- supported 26 families of survivors
- signposted 11 survivors to alternative organisations such as family tracing.

We also supported 15 projects/territories across Africa, Asia and Europe.

### **UKI territory**

We worked collaboratively across other Salvation Army departments - including Employment Plus, Community Services, Youth and Children and local Salvation Army corps - to mobilise resources and create awareness of trafficking and modern slavery.

Salvation Army Corps provided space, resources, and activities which are crucial for supporting survivors to reintegrate into community life.

The team also worked with a network of dedicated volunteers who supported survivors throughout their journey, their roles included:

- acting as First Responders at the point of rescue
- transporting individuals to safety as drivers
- providing mentoring support to survivors in the community.

These efforts collectively enhanced the support and care provided, ensuring a comprehensive and compassionate approach to recovery and reintegration.

Last year:

- 12 survivors accessed mentoring support in the community for their reintegration
- 2 Conversation English Clubs (6-week sessions)
- 373 active volunteers
- 54 new First Responder volunteers recruited
- 51 new Transport volunteers
- 396 First Responder referrals into the National Referral Mechanism
- 753 journeys undertaken by transport volunteers to ensure survivors' safety.

### **Raising awareness**

#### **Hidden in plain sight?**

We emphasised the importance of educating communities vulnerable to the snares of the human traffickers, and to question proposals from strangers. Keeping the issue of human trafficking in the public eye also remained a major focus for Major Kathy Betteridge and her team.

We ran campaigns to help make sure the public could recognise the signs and report it.

You could come into contact with a victim of modern slavery without even realising, but there can be some tell-tale signs:

They may look ANXIOUS, DISHEVELLED, or MALNOURISHED.

They may have UNTREATED INJURIES.

There may be SOMEONE ELSE PAYING FOR THEIR TRAVEL.

They may have SOMEONE SPEAKING FOR THEM.

They MAY NOT BE SURE OF THEIR OWN ADDRESS.

If you have come into contact with someone who you suspect may be a victim of modern slavery and in need of help, phone our free 24/7 confidential referral helpline: 0800 808 3733.

Watch a video explaining the signs at [salvationist.org.uk/anti-slavery-day](https://salvationist.org.uk/anti-slavery-day).

## **#WeAreNotForSale**

This temporary shop product-style barcode tattoo campaign - saw a significant increase in the number of people wearing the tattoos, sharing social media posts, and generally engaging, with this campaign which provides opportunities for people to show solidarity with survivors of modern slavery.

## **Policy influence**

The Salvation Army remained committed to improve the protections available to those who have been exploited and trafficked. The Salvation Army has the recognition, trust and ability to speak to those in positions of power and to enact change.

We worked with colleagues from across the sector and with Parliamentarians from all political parties to protect and push for improvements to the systems in place.

## **Advocacy**

We also advocated on behalf of survivors and included survivor voices in advocacy to promote public awareness of trafficking and modern slavery and its impact on human lives.

Last year, we reached 2,127 people through 44 awareness sessions and delivered training to a range of groups including the NHS, prison staff, government officials, schools, Salvation Army Corps, and general communities, including volunteers.

## **Voices of volunteers**

Our volunteers remained a key part of our team, giving their time, energy and expertise. Three volunteers told us about their role:

### **Chris - first response volunteer**

'I interview the survivor, by phone, video link or face to face, mostly with the assistance of an interpreter. Typically, it takes two to three hours. I submit a report to the Home Office for a decision on the person's eligibility to receive a range of time limited support.

It's very rewarding to be instrumental in getting support for traumatised people who have often endured unimaginable abuse and exploitation.'

### **Val - transport volunteer**

'I take victims of modern slavery and trafficking to a place of safety. I am given a pick-up and a drop-off address for a safe house. For longer journeys I may switch with other volunteers.

I travel with a chaperone; we care for the service users and ensure that they have eaten. You need to have empathy and be compassionate, as service users are vulnerable and often distressed, anxious or frightened and many do not speak English.'

### **Iker - mentor volunteer**

'By offering support, guidance and a listening ear, I help people rebuild trust, regain control of their lives and work towards their personal goals.

It's rewarding to contribute to their recovery journey and to be part of an organisation committed to fighting exploitation. I've been able to direct them to local resources where they can improve essential skills, such as IT, which helps them become more independent and empowered.'

## Voices of survivors

### Rose's story

Rose, came to the UK when she was offered the opportunity to become a nanny for a wealthy couple. Her dreams of a new life quickly turned into a nightmare when she was forced to work gruelling 12 hour unpaid shifts at a restaurant owned by the couple for six days a week and ordered to do more chores at home on her day off.

'They watched me all the time, because every room had CCTV. They kept saying that they would fulfil their promise of helping me to study, but eventually I realised they had only brought me here to work for them as a slave,' said Rose

Mentally and physically abused by the couple, Rose was persuaded to go to the police by a regular customer at the restaurant who noticed that something wasn't right. Rose is now being supported in a Salvation Army safe house in the East of England. She said: 'I arrived at about two in the morning, but someone was there to greet me. She told me I had nothing to worry about now, that I was safe and that it was her job to protect me.'

Rose is now rebuilding her life with the help of The Salvation Army. 'I'm getting my confidence back. I know my future is very bright and hopeful. If one person is helped by hearing my story and doesn't have to suffer what I did, then I will be so glad', she said.

### Survivors' song

'Dreams' international singing group is made up of survivors of modern slavery and Salvation Army support workers. Their song, The Survivors' Song (I Will Rise Up) pulled out a heartfelt message, which came from the group's own personal stories.

The line from the chorus was: 'I'll rise up 1,000 times, unafraid I will fight. And I'll never give up. I will survive.'

Nigel, one of the singers, said: 'Everybody has an experience. We have different journeys in life, and we wanted to put it into a song. All of us pitched in some lines. All of us contributed to form the song'.

The song is about helping each other to rise again. With support, people have the courage to move on, to rise up. Hearing the song for the first time made everyone feel very emotional.

Nigel said: 'We hope that, even though they may not have survived a modern slavery experience, they will get something from it that can inspire them and give them hope too.'

| [Listen to the song](https://salvationist.org.uk/survivors-song) - salvationist.org.uk/survivors-song

## Helping people experiencing homelessness

### Concern for growing crisis

In the first three months of 2025, there was an 11.4 per cent increase in households becoming homeless or at risk of homelessness, new figures showed. This was 6 per cent higher than in the same period last year and pointed to a growing homelessness crisis.

The statistics revealed that 38,440 households were threatened with homelessness and 7,780 households were not provided with accommodation because they were not in priority need.

We called for the government to take urgent action to prevent more people from becoming homeless. Specifically, we asked for the law to be changed so all those forced to sleep rough are deemed in priority need and offered temporary then longer-term accommodation.

To stop people becoming homeless in the first place, we also advised the government to maintain the local housing allowance so people on low incomes can afford rising rents.

Nick Redmore, The Salvation Army's Director of Homelessness Services, said: 'We are in the midst of a growing homelessness crisis. As these figures show, people living on the streets are just the tip of the iceberg. There are also thousands more, including children, living in temporary or emergency accommodation while others are forced to sofa-surf or sleep in cars and sheds'.

### **Update on our strategy**

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

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

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

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

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

At the end of the year, our provision included -

- 57 Lifehouses
- 11 outreach centres
- 5 day centres
- 4 Housing First initiatives

## **Our strategy in action**

### **Small, self-contained NAPpads**

Across the territory, we have 1 NAPpad (Night-time Accommodation Project). During the year, we launched the first NAPpad in the northwest. It was installed in the car park of Salisbury House Lifehouse in St Helens.

Our pioneering NAPpads are moveable structures approximately the same size as a shipping container. The NAPpad incorporated four individual units equipped with a toilet, sink, bed, duvet, pillow and heating. These portable 'micro-flats' provided temporary accommodation that offered dignity, privacy and safety.

Each pad was fitted with innovative sensors that detected if someone had stopped breathing, giving responders vital minutes to save a life. Each pad also had an energy-efficient heating and water system and could keep someone safe using the same amount of energy per night as a domestic light bulb.

People could check in from 6pm and stay until 9am for up to three nights while alternative, longer-term accommodation could be found. If required, the NAPpads could be moved to different locations to meet local need. The Salvation Army worked in association with the council to accommodate people who had been referred by the local authority.

The St Helens unit was dedicated to the memory of the Lifehouse's service manager, Darren Mulcahy, who passed away suddenly in July 2024. A plaque to his memory was unveiled in the presence of his friends and family.

### **Early intervention and prevention**

Salvation Army service manager Charlie Malarkey hosted a drop-in centre in York. He also walked the street to check on people experiencing homelessness. In addition, he restarted a boxing initiative that had been cut due to a lack of funds.

The club created connection and brought together people from all kinds of backgrounds. 'If you get people involved in something, you join them up with a community, with people from all faith groups in there, and it's really beneficial. Sometimes people ask if there's anyone they can chat to about spiritual matters while they're there,' Charlie said.

People aged between 15 and 85 attended sessions. They did circuit training and boxercise as well as the boxing sessions. Since they began, the boxing classes have had a huge impact on people within the community.

Charlie gave an example: 'One lad came from experiencing homelessness, addiction and prison. He has now got a job. He has passed a load of exams. He is working for a company where they absolutely love him and he has got his family back together. '

### **Housing First gets Royal visit**

The Prince of Wales highlighted The Salvation Army's Housing First project when he fronted a two-part ITV documentary exploring solutions to homelessness.

In Prince William: We Can End Homelessness, the Prince, who is an ambassador for Homewards, a homelessness charity collaboration project, met Wayne Spencer at Windsor Castle.

Wayne is one of 24 former rough sleepers who have been provided with a home by the Housing First scheme in Cardiff, working with The Salvation Army. Housing First Programme Manager Jemma

Jones was also on hand to explain more about the scheme, which offers intensive support to long-term rough sleepers who have complex needs and moves them into their own accommodation.

Wayne had been homeless on and off since the age of 15, and struggled with drugs, alcohol and his mental health. But, as he told William, an encounter with Jemma and the Housing First programme changed his life. Wayne now no longer takes drugs, has reduced his alcohol intake and is back in contact with his daughters.

## **Spotlight on our Lifehouses**

Across the territory, The Salvation Army operates 48 supported accommodation services called 'Lifehouses' (see pages 8-11). They are places to stay, get support with housing issues and also other aspects of life such as debt problems, training, addiction or mental health.

We share news from some of our Lifehouses this year.

### **Haven of hope - Fleetwood**

A new communal space was officially unveiled at George Williams House, our Lifehouse in Fleetwood. The aim was to support the positive wellbeing of residents, on their journey to independent living.

The Lifehouse accommodated six young people from age 16-25 and nine families as they work with The Salvation Army to move on from a period of homelessness and transform their lives.

The space was called 'The Haven' and was located in the garden area, providing a tranquil calming space. Hayley Fletcher, programme manager for The Salvation Army's George Williams House said: 'Residents are always at the heart of everything that we do and so The Haven was created from the feedback we received from them, ensuring that we had something that would support the residents in their journey out of homelessness and improve their mental health and wellbeing at the same time.'

The space was created for use in all weathers and to be available at all times of the year with its own heating, lighting and electric supplies. Sustainable wood has been used throughout the structure and The Haven was built from funding received from runners in the 2024 London Marathon who fundraised to help us transform the lives of people experiencing homelessness.

### **Seeing a difference - Bradford**

We have teamed up with Vision Care for Homeless People and Specsavers to offer an optician service at The Salvation Army's Bradford Orchard Lifehouse and Day Shelter.

The monthly service provided free eye tests and glasses for 50 people who were unhoused, many of whom have struggled with poor eyesight their whole lives.

Jordan Bruen, The Orchard's Day Shelter Programme Manager, said: 'This has been really successful. Speaking to clients, lots of people had not accessed opticians for years and had been going to pound shops to buy glasses. Obviously, their eyesight had been deteriorating and they'd not been able to do anything about it, they had just got used to having poor vision'.

One man in his sixties said it had been lifechanging. He'd never had prescription glasses before. He said 'I can see!' Jordan and his team reported that it was a massive step forward. They could tell he felt more confident walking around with his new glasses.

### **Selfless service recognised - Plymouth**

Manager of The Salvation Army's Devonport House Lifehouse in Plymouth, Virva Martikainen, received recognition for her work with the homeless community. She was named as a finalist at the West Country Women of the Year awards, held recently at the Crowne Plaza in Plymouth.

Virva was nominated for the Inspirational Leader Award for her commitment to her team and the people whose lives she helps to transform and received a runner's up certificate.

Devonport House provides temporary accommodation and housing support for up to 60 people. It focuses on breaking the cycle of homelessness and addiction and helping people to move forward with their lives. The Lifehouse also has rooms for working individuals struggling with rental payments, giving them a chance to save and find more secure housing.

Since taking the helm at Devonport House in 2021, Virva has worked tirelessly to promote a trauma-informed approach to support individuals experiencing homelessness.

Virva's leadership extended to comprehensive staff training and the establishment of a bereavement support group for families affected by substance-related losses. With an open-door policy, she ensured that both service users and staff feel supported and heard.

### **Everyone's a winner - Manchester**

The Orchard Lifehouse team from Bradford won the 2024 Partnership Trophy. The competitive five-a-side football tournament was run by The Salvation Army and its subsidiary, Salvation Army Homes. It brought together football teams from Lifehouses, supported housing, outreach programmes and drop-in services from around the UK. It helped raise awareness of homelessness, boost morale and improve positive wellbeing and mental health.

It was one of the many ways The Salvation Army promoted positive and independent living for its service users and reinforces that helping people to move on from homelessness is more than just providing a roof over someone's head.

Manchester City captain and England star Kyle Walker joined Celtic and Wales legend John Hartson to cheer on the 13th annual contest, which brought together 30 teams. John presented the trophy to the winning side and spoke to players about his career and own struggles battling cancer and a gambling addiction. He said: 'I thoroughly enjoyed today. The camaraderie is great. There's a lot of respect for each other'.

### **Best friends welcome - Sunderland**

At Swan Lodge Lifehouse in Sunderland, residents who struggled with homelessness were allowed pets on site. It was seen as a key part of the support offered to residents who have struggled with homelessness.

'Animals help with mental health and wellbeing,' said Service Manager Christine Ritchie. 'It gives our residents a sense of purpose looking after something else, not just themselves.' There were seven dogs and three budgies, as well as some inquisitive seagulls.

### **Our housing partners - Salvation Army Homes**

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

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

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

[Read more](#) about The Salvation Army’s local response to homelessness in **The Salvation Army Trust** (Charity Registration number 214779) a ‘sister’ publication to this one.

## Helping people into meaningful employment

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

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

### Employment Plus

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

We operated at the heart of communities in 418 locations across the territory. Our focus was on empowering individuals to overcome obstacles they face professionally and personally, and to fulfil their life ambitions.

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

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

<b>Where programmes took place</b>	<b>Number of programmes</b>
Salvation Army Corps	218
Salvation Army Community Centres	6
Lifehouses and Outreach	23
External locations e.g Jobcentre Plus	160
Prisons	11

<b>General employment support</b>	<b>Number of people</b>
Single enquiry	3,061
Starts on programme	4,502
Milestones	13,947
Jobs	840

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

## Insight

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

## Some highlights from the year

### ▪ Rise in employability services

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

### ▪ New national event

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

### ▪ Specialist work grew

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

## Dan's story

Dan said that he had a criminal record the length of a Harry Potter novel. After 10 years of drug addiction and drug dealing, with time spent in prison, Dan rebuilt his life with the help of Employment Plus.

His rehabilitation has been supported by Kate Pope, employment development coordinator for the Army's service. Previously Kate had worked at HMP Liverpool, supporting the men inside with training, work and education opportunities.

Kate and Dan were known to each other in HMP Liverpool, but it was after Dan left prison that Kate got him registered with Employment Plus. 'We came up with a plan of action and spoke about training opportunities,' said Kate.

Dan met with Kate fortnightly over the past year to learn interview skills, write cover letters and apply for jobs. 'He's really intelligent,' Kate says. 'He's caring and nurturing. So I suggested we look at opportunities where he could advise and support others.'

Dan started work as a drug recovery champion for an addiction rehabilitation charity. He is indebted to Kate for seeing not the person he was but who he had the potential to be.

'She cares about the person sitting in front of her.' To Dan, Kate represented the best of The Salvation Army, inspiring him to write a poem celebrating her as 'a proper diamond'. 'Anyone involved with the Army clearly has the principle of forgiveness within them,' he says. 'I think that is very, very important.'

### A Proper Diamond - Dan's poem

I first met Kate in Walton Jail,  
Behind those bars, I was so cold and pale.  
She wasn't like the rest in there,

She actually listened, she actually cared.

She saw past records, past mistakes,  
Knew every man has what it takes.  
She'd talk to lads who'd lost their way,  
And give them hope for better days.

She left the prison, took a stand,  
To help more people first-hand.  
With The Salvation Army crew,  
She's changing lives, she's seeing it through.

Since last June, she's backed me strong,  
Pushed me forward, proved me wrong -  
When I doubted, when I fell,  
She made me see I could do well.

## Reuniting families - tracing service

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

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

Three key achievements:

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

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

## Service without borders

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

## Stories of love (cases which closed in 2024/25)

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

### Lasting Love

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

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

### Unconditional Love

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

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

### **Father's Love**

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

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

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

## **Inclusion for people with a disability**

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

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

### **Music man project**

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

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

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

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

### **Enabled Summer Camp**

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

1. It was renamed the Enabled Summer Extravaganza, as suggested by members.

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

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

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

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

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

### **What did attendees say?**

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

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

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

### **Enabled - everywhere!**

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

### **Spotlight on Strawberry Field**

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

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

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

### **Steps to Work programme**

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

### **Step 1**

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

### **Step 2**

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

### **Step 3**

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

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

For 2024-25:

88 trainees started the programme

77 completed the programme

Of those trainees who completed the programme:

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

The Learning Hub run by Lynne Furlong in the 2024-25 financial year accommodated seven students on placement in the centre and supported 91 university students who worked 'off site'. Those students supported within the university campus are provided with projects which are active issues for Strawberry Field. In the reporting year projects have taken place to promote inclusive workplaces and breakdown barriers to recruitment for the STEPS to Work programme, a sustainability business ventures project which focused on methods to increase engagement in the new Steps for Students Programme and another project examined how effective translation can support accessibility and business sustainability (which included translating information for trainees).

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

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

### **Two graduate stories**

#### ***Alfie McKeown***

Steps Outcome: Paid Work

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

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

### ***Megan Thomas***

#### **Steps Outcome: Paid Work**

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

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

#### **Giving us... a step up**

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

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

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

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

### **Awards and accolades**

#### **A winning partnership**

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

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

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

#### **Congratulations Eilis**

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

#### **An appetite for success**

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

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

## Thoughtful friend to older people

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

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

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

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

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

### Residential care homes

We had 11 care homes that can support up to 417 at any one time. In the last year, we supported 477 older people and their loved ones.

Here are some stories from our residential care home service:

#### Hope at Holt House

An older woman, Jean (we have changed her name), had a severe stroke in September 2024 and came to Holt House to receive palliative care. It was after a hospital assessment said there was no further rehabilitation potential.

Our care home staff cared for Jean over the first few weeks. They helped build up her strength and got her weight back within range, supporting her with all tasks.

Staff then started to give her small things to do for herself such as wash her face or dry it. They gave her balls to hold in her affected hand and cycle pedals for her legs to exercise.

The staff were determined, along with her family, to get Jean to the best she could possibly be. Gradually her strength built up and she began to feed herself finger foods, then staff introduced adapted cutlery. She went back to eating a normal diet with no assistance at all just a lipped plate.

Through her determination and staff's dedication Jean has the quality of life she had before the stroke. Staff, family and Jean worked tirelessly together, demonstrating all our values and her family are eternally grateful.

#### Joy at Youell Court

Shirley (we have changed her name) had dementia and was cared for in Alfred house at Youell Court, where residents receive a little extra help. As her dementia progressed, Shirley started

missing breakfast and sleeping in past lunch. She became confused and distrustful, and didn't want to join in activities either.

We suggested moving Shirley to the middle floor of Olive House, where staff deliver individual care in a relaxed space for residents who are living with dementia.

We took Shirley to Olive House and she shared some meals with other residents and met the staff. She said that she would like to move there. We took photographs of her old room and set up the new one in exactly the same way, so everything was familiar.

In Olive House, Shirley got up early and took all her meals with the other residents. Shirley attended her first ever singing by heart session three days after moving to Olive house.

Emma Bailie, Home Manager, said: 'Shirley put her arms out to hug me, she was smiling and seemed so happy. She is spending most of her time in communal areas, she is taking part in activities, events and has a spring in her step'.

### Turning loneliness into togetherness

Our *No One Alone* project encouraged corps and centres across the territory to engage in opportunities for greater local social cohesion. It was led by Andrew Wileman, assistant director of Older People's Services.

In the UK, over nine million adults are frequently lonely. Loneliness is feeling disconnected even when you are around others. Social isolation is when someone is physically separated from other people. Anyone can be affected, but some groups are more at risk, including older people.

'Loneliness doesn't treat people equally,' remarked Andrew. 'And it affects far more than older people, for example, people who are financially disadvantaged, or those who live in poor housing with poor access to public transport. These can create a sense of isolation and loneliness that's really difficult to tackle.'

No One Alone resources link to community engagement opportunities such as coffee mornings, volunteering and exercise opportunities and befriending events, as well as signposting to other Army services and age-specific resources.

Andrew also had a seat on the All-Party Parliamentary Group for Tackling Loneliness and Connected Communities.

**Read more** - we elaborate on the local aspects of our work in our sister **Report & Accounts for The Salvation Army Trust**.

## Understanding and supporting addiction

### New positional statement

The Salvation Army's Moral and Social Issues Council (MASIC) published a positional statement on drug use and dependency. It set out information and guidance to Army members.

We defined addiction as ‘any harmful behaviour that a person finds temporary pleasure or relief in, and therefore craves, but cannot give up.’ It could involve cigarettes, alcohol, coffee, illegal drugs, video gaming, gambling or sex.

We recognised that personal circumstances and background influenced drug-using behaviour and the likelihood of dependency. We believe that The Salvation Army should offer compassion rather than condemnation to those affected by drug use. We offered emotional, therapeutic and practical interventions to people negatively impacted by the use of drugs.

The positional statement showed our commitment to serving others without discrimination. MASIC’s aim was to help Salvationists in this territory engage in moral and social issues.

### **Calls for specialist support**

Source: <https://www.salvationarmy.org.uk/news/scottish-drug-deaths-reinforce-calls-specialist-support>

The Salvation Army called for an increase in specialist support to tackle drug and alcohol use in Scotland. Statistics showed that more than 1000 people were suspected to have died from drug use in 2024.

These new figures showed a welcome reduction in the number of deaths linked to drugs, but that was from a high starting point. The challenge was to maintain progress. We knew only a fraction of people affected by substance use in Scotland are offered the help they need, both short-term help to survive and longer-term help to thrive.

In particular, The Salvation Army called for:

- The Scottish Government, local authorities and Health and Social Care Partnerships (HSCPs) to work together to ensure there is drug, alcohol and mental health support available at evenings and weekends in all local authority areas. Many are currently closed at weekends.
- No individual, especially if they are experiencing homelessness, to be denied mental health support on the basis that they are using drugs or consuming alcohol.

As a provider of addiction services, the church and charity has helped hundreds of people overcome the harm caused by drugs and rebuild their lives. The Salvation Army Centre for Addiction Services and Research (SACASR) was established in 2017 in a partnership with University of Stirling to develop new ways to help address substance use in communities across Scotland.

**Read more** about the crucial interventions we want to see, in The Salvation Army’s report Breaking the Cycle <https://www.salvationarmy.org.uk/homelessness-policy/breaking-cycle>

### **Overdose antidote welcomed**

Source: <https://www.salvationarmy.org.uk/news/government-plan-roll-out-overdose-antidote-welcomed>

Over the years, we have used Naloxone, a crucial opioid overdose antidote, to save lives at our homelessness support projects. Naloxone is safe, simple and effective but there had been a legal restriction on its availability.

The Salvation Army welcomed the Government’s announcement that will enable more professionals to give take-home supplies of Naloxone. We know that witnessing someone moments from possible death can be shocking and devastating so it’s also essential the Government raises public awareness about Naloxone to give people the confidence to use it.

Major Dr Will Pearson, The Salvation Army's Assistant Director of Addictions, said: 'We are delighted that the Government has listened to the concerns of ourselves and others about the need to expand Naloxone's availability'.

We have yet to see the detail of how the expansion of Naloxone will be funded. It's essential the Naloxone roll out is not taken from money set aside for addiction prevention and support services. Without also addressing the root causes of addiction the battle against drug-related deaths cannot be won.

## **Supporting addiction**

We had three addiction services within Homelessness Services, as well as outreach services, corps and community services that provide support. We followed a harm reduction approach. As its name suggests, a harm reduction approach aimed to minimise the negative impacts of a behaviour. We do not require someone to stop their behaviour as a condition of support.

Our programmes considers abstinence to be the ultimate goal, but harm reduction is an essential and pragmatic starting point.

### **An example of our approach - Gloucester House, Swindon**

At Gloucester House, our rehabilitation centre near Swindon, we welcomed people who were at breaking point with their addictions to alcohol and other substances.

Over the course of 12 to 24 weeks, 12 men at a time took part in a 12-step recovery programme to help them break free from their substance addictions.

'Addiction impacts their physical health, mental health and emotional health. We've had people that have struggled to come in and walk, and one person came from a hospital bed and had not been able to get themselves around,' said Alan Baldwin, the centre's chaplain.

We had counsellors and support workers on site as well as complementary therapists and wellbeing support. 'As they go on their journey with the 12 steps and focus on their idea of God, you can see the change, you see their soul begin to recover', said Alan.

Staff members spoke of the many transformations that they have seen in clients at Gloucester House. Such changes were possible through the programmes that were offered - including education and training courses, creative workshops, external activities, exercise sessions, group therapy and help with life skills as well as spiritual support.

Alan added: 'From a psychological view, anxiety and fear are two of the big things I notice when people arrive people say: 'You've taken away my crutch, I haven't got the alcohol and the drugs to support me any longer. What do I do?'

'But as they're shown love, kindness and support, and they get involved with GPs and others, you see the recovery beginning to take place,' he concluded.

## **LOOKING FORWARD WITH AMBITION AND COMMITMENT**

As a church and a Movement, we live in the communities we serve. We understand the problems and the symptoms that affect everyday life. We understand the wider issues that impact our

society, such as homelessness, addictions, slavery, and the importance of employment. We are committed to putting faith into action and doing something.

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

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

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

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

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

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

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

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

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

Subsequent to the year end, the Trustees have decided to reimagine the support we provide to older people. This will entail withdrawing from residential care homes and instead developing a range of support services within local communities, particularly in those areas where a Salvation Army church is present. Services, as appropriate for individual communities, such as Parish Nursing, Dementia Support groups and specialist programmes for additionally disadvantaged older people such as those who are socially isolated due to location or access needs or those who are digitally excluded. Where possible the current residential homes will be sold to other providers as a "going concern" so that the care of individuals is uninterrupted.

## **GOING CONCERN**

The Trust has felt the financial impact of global economic factors, particularly the high inflation rates on our cost base plus the related cost of living crisis. At the time of writing, inflation in the

UK is 3.6%. The Bank of England projects that inflation will fall to around 2% by mid-2026, but this remains a watching brief with the current instability arising through the trade tariffs being imposed by the USA and the global political unrest. The organisation anticipates that the trading environment will continually be challenging. The Trust has a significant contract with the Home Office, £79.2m (2024: £85.2m) which supports the Anti-Human Trafficking Programme. This equates to 97.4% (2024: 98.1%) of the Other Social Operations income stream, and should this contract be terminated; it would also mean that £77.0m expenditure (2024: £82.2m) would no longer be incurred. The Trust could continue to operate without a significant impact upon other service deliverables.

Financial projections and other supporting financial models that detail potential financial impacts upon the Social Work Trust, are reviewed on a regular basis by the operational boards as well as further scenario planning to assess the potential short, medium, and long-term financial implications of other risks and opportunities. Albeit this is currently undertaken on a lower-level scale.

Looking ahead, we plan to better utilise the financial reserves to support the organisation and where necessary invest in strategic priorities. This financial year, 2024-25 saw us continuing to spend on our strategic aims and utilising reserves to do this where possible. The closing unrestricted reserves were £169m (2024: £173m) and the cash and bank balances were £54.3m (2024: £23.9m). The significant increase in cash is due to significant funds being generated from investment property disposals in the year and the £35m deposit held by The Salvation Army Trust on behalf of the Social Work Trust in the prior year which was transferred over this year. Based on cash flow forecasts prepared covering the period to 31 March 2027, the Directors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future, being at least twelve months from the date of approval of these financial statements and are not aware of any material uncertainties that may adversely affect the organisation. Accordingly, the financial statements will continue to be prepared on the going-concern basis.

## RAISING FUNDS

The income streams for The Salvation Army Social Work Trust consist mainly of statutory funding and, to a lesser degree, income from the sale of assets and income from legacies and donations which have been specifically made to and received directly by this Trust.

Fundraising for the overall work of The Salvation Army, including the work carried out by The Salvation Army Social Work Trust, is largely managed through and executed under The Salvation Army Trust, a separate charity from The Salvation Army Social Work Trust.

One of the distinctive features in the delivery of services covered by The Social Work Trust is that we always seek to do the best we can to help people experience holistic change. Often this means providing additional support services, training and skills development. This comes at a cost, and therefore to meet this additional cost The Salvation Army Trust makes a grant to The Salvation Army Social Work Trust based on funding needs.

This grant is agreed in advance as part of the budgeting process, and the actual value of the grant made during the year appears in The Social Work Trust as 'Grants Receivable: The Salvation Army Trust'.

No active fundraising is carried out by The Salvation Army Social Work Trust.

Our fundraising and appeals programme feature the work of both Trusts.

The Salvation Army Trust Report and Accounts form a sister publication to these reports and accounts.

## SUBSIDIARIES

The Salvation Army Social Work Trust works in harmony with its subsidiary, Salvation Army Homes (SAH). SAH is a charitable provider of supported housing and support services across England, registered under the Co-operative and Community Benefit Societies Act 2014 (registration no. 15210R) and is also registered with the Regulator of Social Housing (registration no. LH 2429).

The principal activities of SAH are the management and development of social housing, primarily for single people. This includes Lifehouses for homeless people, foyers offering support and training, housing with appropriate support services for vulnerable people and special housing for the elderly as well as self-contained rented homes at rents affordable to those on low incomes.

SAH operates nationally in over 70 local authorities across England and has five principal areas of operation:

- 1. Agency-Managed Centres (1,497 bed spaces):**  
SAH works in partnership with a number of organisations nationally, including The Salvation Army, to provide a wide range of Agency-Managed Supported Housing services. These include residential centres (called Lifehouses) for homeless single people and homeless families, centres for those recovering from addictions, accommodation for ex-offenders and individuals and families fleeing domestic violence. Within these partnerships, we act as the landlord owning and maintaining the buildings, whilst our managing agents undertake the day-to-day management of the service.
- 2. General Needs (1,275 homes):**  
SAH owns a range of accommodation that provides secure affordable housing for families and individuals. Residents access this accommodation through local authority waiting lists as we have nomination arrangements in place with our local authority partners.
- 3. Accommodation for the over-55s (291 bed spaces):**  
Some of SAH's accommodation is specifically designed for those over the age of 55, including a scheme manager providing on-site support. In accommodation where there is no staff on site, there will be an alarm call system and other types of floating or community support available. Styles of accommodation vary from studio flats to bungalows. Many of SAH's schemes have communal facilities where residents can engage in a range of activities.
- 4. Directly Managed Supported Housing (507 bed spaces):**  
SAH directly manages a number of schemes throughout England, both managing the building and delivering the day-to-day management and support. As with the Agency-Managed schemes, SAH provides a range of support services to the residents. All schemes, including our foyers which are tailored for those between the age of 18 and 25, have 24-hour staff support where residents engage in a range of activities to promote independence with the aim of resettlement into independent living.
- 5. Registered Care Homes (52 bed spaces):**  
SAH owns a number of registered care homes, working with a partnering agency to provide support and care for clients in a residential environment.

SAH also manages 707 residential properties, providing a housing management service throughout the country.

## **MODERN SLAVERY AND ANTI-HUMAN TRAFFICKING STATEMENT**

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

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

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

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

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

## **STREAMLINED ENERGY AND CARBON REPORTING (SECR) STATEMENT**

At the Salvation Army Social Work Trust (SWT) we recognise that climate change represents a significant global threat, and we recognise that we need to reduce our operational energy use and carbon emissions, and we have set ourselves some challenging targets to achieve this. We are pleased to report our progress in this area over the last year.

### **Targets**

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

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

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

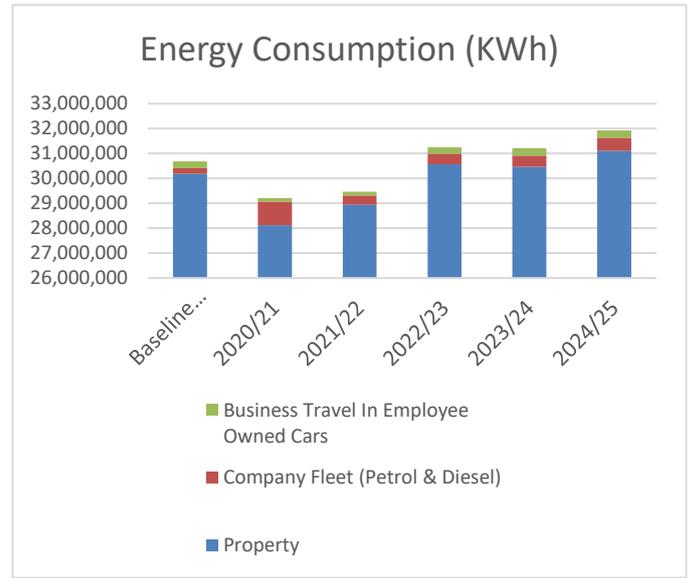
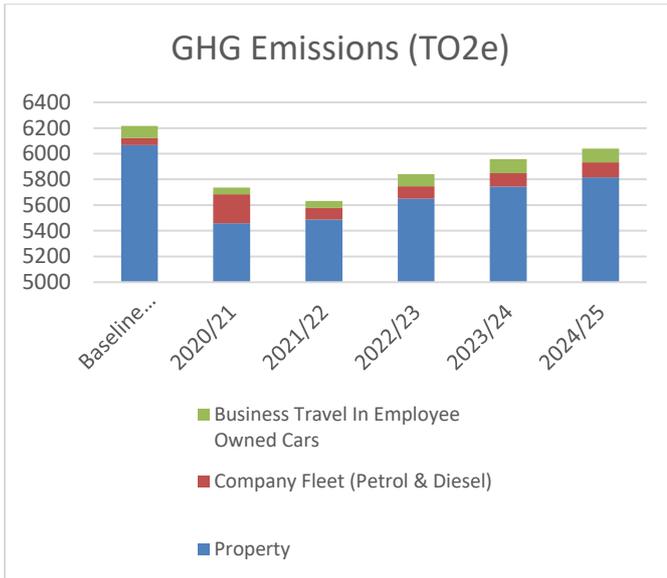
We have also calculated our wider indirect carbon footprint and set a target to reduce those emissions to net zero by 2040. Further details are included in our Net Zero Strategy 2040.

## Reporting methodology

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

## Greenhouse gas emissions and energy use data

Tonnes CO <sub>2</sub> e							KWH					
	Baseline						Baseline					
Scope 1 (Gas, Petrol,)	(2019/20)	2020/21	2021/22	2022/23	2023/24	2024/25	(2019/20)	2020/21	2021/22	2022/23	2023/24	2024/25
Property	4,224	4,096	4,122	4,286	4,205	4,370	22,973,309	22,274,210	22,507,000	23,525,009	23,030,788	23,630,735
Company Fleet (Petrol & Diesel)	54	225	90	99	106	118	227,052	940,111	376,925	421,174	448,339	525,780
<b>Total Scope 1</b>	<b>4,277</b>	<b>4,320</b>	<b>4,212</b>	<b>4,385</b>	<b>4,311</b>	<b>4,488</b>	<b>23,200,361</b>	<b>23,214,321</b>	<b>22,883,925</b>	<b>23,946,183</b>	<b>23,479,127</b>	<b>24,156,515</b>
<b>Scope 2 (electricity, grid average)</b>												
Property	1,844	1,364	1,365	1,363	1,539	1,445	7,214,939	5,848,518	6,429,501	7,046,786	7,430,523	7,479,163
<b>Total Scope 2</b>	<b>1,844</b>	<b>1,364</b>	<b>1,365</b>	<b>1,363</b>	<b>1,539</b>	<b>1,445</b>	<b>7,214,939</b>	<b>5,848,518</b>	<b>6,429,501</b>	<b>7,046,786</b>	<b>7,430,523</b>	<b>7,479,163</b>
<b>Scope 3</b>												
Business Travel In Employee												
Owned Cars	96	52	55	93	110	108	262,475	143,501	148,290	254,446	298,705	286,596
<b>Total Scope 3</b>	<b>96</b>	<b>52</b>	<b>55</b>	<b>93</b>	<b>110</b>	<b>108</b>	<b>262,475</b>	<b>143,501</b>	<b>148,290</b>	<b>254,446</b>	<b>298,705</b>	<b>286,596</b>
<b>Total (Grid Average)</b>	<b>6,217</b>	<b>5,735</b>	<b>5,632</b>	<b>5,841</b>	<b>5,959</b>	<b>6,041</b>						
<b>Intensity Ratio</b> (Tonnes CO <sub>2</sub> e per employee)	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>						
<b>Total energy Consumption</b>							<b>30,677,775</b>	<b>29,206,340</b>	<b>29,461,716</b>	<b>31,247,415</b>	<b>31,208,355</b>	<b>31,922,274</b>



Our total energy consumption has increase by 4.1% compared to our 2019/20 baseline. Total carbon emissions have reduced by 2.8% and our intensity of Tonnes CO2e per employee by 5.1%.

We have made a small amount of progress reducing carbon emissions from our properties. However, emissions from fleet have increased significantly by 119%.

## Progress by area

### Property:

- Compared to 2019/20 baseline: 3.1% increase in energy consumption and 4.2% reduction in carbon emissions.
- Compared to prior year: 2.1% increase in energy consumption and 1.1% increase in carbon emissions.

### Actions:

- **Energy efficiency:** we plan to undertake a full energy efficiency upgrade of one of five our life houses as part of our Carbon Management Plan 2024-27
- **Renewables:** 4 of our properties currently have roof mounted Solar PV systems providing clean renewable energy and we are currently installing an additional 4 this year.
- **Reducing fossil fuel use:** Currently most of our properties have fossil fuel-based heating systems with a small number of electric heat pumps. However beginning this year, we are starting a programme of energy retrofits to five of our properties over the next three years which will include switching heating systems over to low carbon alternatives.

### Fleet:

- Compared to 2019/20 baseline: 131% increase in energy consumption and 119% decrease in carbon emissions.
- Compared to prior year: 34.1% increase in energy consumption.

### Actions:

- **Reducing fossil fuel use:** We continue to encourage the take-up of electric company cars and we recently added EV and PHEV vehicles to our employee company car list. Currently we have 13 EV and PHEV on order and this trend will continue to increase.

- **Reducing travel:** We are actively encouraging more sustainable travel and recently updated our Travel policy to have a more sustainable travel focus.

**Colleague engagement:**

Engaging our staff and volunteers on this agenda is very important to us. We are currently developing a Care for Creation training module that will be rolled out early next year for both current and new staff and Officers.

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

**Wider strategy**

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

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

## REVIEWING FINANCES

### Income

	2025 £m	2024 £m
Charitable activities:		
Centres' revenue income	97.0	90.8
Other social operations	81.2	86.9
Housing association turnover	28.5	27.5
	<u>206.7</u>	<u>205.2</u>
Legacies and donations	3.3	2.8
Grants from The Salvation Army Trust	26.2	29.7
Investment and rental income	4.6	3.4
Disposal of fixed Assets	(1.1)	(1.1)
<b>Total income</b>	<u>239.7</u>	<u>240.0</u>

#### Centres' revenue income

The main elements are:

- charges for residents in our care homes for older people (£17.4 million)
- charges for residents in our Lifehouses (£41.0 million)
- income received under contracts with local authorities, principally Supporting People contracts (£27.9 million)

#### Other social operations

The main elements are:

- Employment Plus (£1.8 million)
- Anti-Trafficking (£79.2 million)

Our Employment Plus team provides services to help unemployed people into work through several Work Programme contracts where The Salvation Army is a subcontractor. Income fluctuates as it is dependent on the number of referrals and on clients securing and retaining employment.

We provided support to the victims of modern slavery under a contract with the Ministry of Justice.

#### Housing Association turnover

This represents the turnover of The Salvation Army Homes (SAH), a subsidiary of the Social Work Trust, adjusted to reflect the accounting policies and reporting requirements of the Social Work Trust.

#### Legacies and donations

Legacies of £1.1m and donations of £2.2m were received in the current year.

#### Grants from The Salvation Army Trust

The Salvation Army Trust provides financial support to the Social Work Trust. This includes the Big Connection Appeal which is an annual appeal undertaken by corps (church) members specifically for social work programmes.

## Expenditure

	2025 £m	2024 £m
<b>Charitable activities:</b>		
Centres' operations	118.4	114.4
Other social operations	84.6	90.8
Housing association cost	31.9	26.3
	<u>234.9</u>	<u>231.5</u>
Cost of raising funds	0.1	0.1
<b>Total expenditure</b>	<u>235.0</u>	<u>231.6</u>

### Centres' operations

This represents the operating costs of care homes for older people, Lifehouses, detox centres, day care centres and other non-residential projects.

### Other social operations

The increased costs reflect the increase in the number of victims of trafficking being helped by our service as well as Employment Plus and the Family Tracing Service.

### Net gains/(losses) on investments

There has been an unrealised loss on investments of £1.0 million (2024: gain of £20.2 million). This comprises a £0.2m gain in value of the Salvation Army Homes' investment property at Waterloo, London with aggregate unrealised losses on the Trust's investment portfolios of £1.2m.

### Funds

The Social Work Trust (excluding SAH results), excluding its investment losses of £1.2 million (2024: gains of £17.2 million), has generated a surplus of £3.7 million compared to a surplus of £9.2 million in the previous year.

Total funds at the year-end were as follows:

	2025 £m	2024 £m
Endowment funds	<u>18.7</u>	<u>19.0</u>
<b>Restricted funds:</b>		
Social Work Fund	86.9	80.3
Social Work projects	39.7	40.2
Saha operations	132.4	130.8
Total restricted funds	<u>259.0</u>	<u>251.3</u>
<b>Unrestricted funds:</b>		
Designated funds	48.4	51.8
Unrealised investment gains	98.4	100.2
General reserve	22.5	20.7
Total unrestricted funds	<u>169.3</u>	<u>172.7</u>
<b>Total funds</b>	<u>447.0</u>	<u>443.0</u>

### **Endowment funds**

All endowment funds are represented by investment in the Common Investment Funds and the movement is due to the increase in market value of the investments. The capital value of the funds is retained but the income is applied to fund our work.

### **Restricted funds**

Social Work Fund represents property assets including Lifehouses, care homes and other properties used for the operations of the parent charity. These funds are not therefore available to spend. Funds restricted for social work projects represent legacies and donations given for specific purposes.

All SAH funds are treated as restricted in the group accounts.

### **Unrestricted funds**

#### **Designated reserves**

The levels of designated funds are reviewed annually. These are funds set aside by the directors for new projects and to meet known future commitments such as maintenance of our properties. These funds are kept under review by SATCO to ensure their purpose remains in the medium term. There is a major components reserve utilised for larger building projects addressing the necessary investment in properties within the Social Work Trust.

#### **Unrealised gains**

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

#### **General reserve**

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

## **RESERVES POLICY**

Our reserves policy focuses on the level of general reserves.

We work with vulnerable and disadvantaged members of society, principally through our residential centres. We need reserves so that we can maintain continuity of our services in the event of a decrease in income or unexpected expenditure.

The directors have reviewed the main income streams, the risks associated with them, the main categories of expenditure and the extent to which these can be curtailed if required. A considerable proportion of our income is received under contract from local authorities. As such this is subject to regular competitive tendering and to changes in central and local government policies. The Trust also receives a grant from its sister trust - The Salvation Army Trust - generated from its fundraising to support the work of the Trust. There is a much smaller portion of income that is voluntary income which can be uncertain and fluctuate from year to year.

The total value of funds held as at 31 March 2025 was £447m (2024: £443m). There are restricted reserves of £259m (2024: £251m), unrestricted reserves of £169m (2024: £173m), and endowment reserves of £19m (2024: £19m).

The unrestricted funds include general reserves, designated funds, and the unrealised investment gains reserve. General reserves are utilised to fund the day-to-day needs of The Salvation Army. These were £22.4m as at 31 March 2025 (2024: £20.7m). The designated funds are unrestricted but

set aside by the directors for specific purposes, £48.4m (2024: £51.8m). The unrealised investment gains reserve totalled £98.4m (2024: £100.2m).

General reserves at the year-end were £22.4m which is within the target range of £9.6m to £22.4m. The target range is modelled looking at income and expenditure with an associated risk factor (correlated with a higher likelihood of an adverse outcome) considered annually and duly reflected in the annual Reserve Policy. Like other charitable organisations, we are facing increased costs from high inflation as well as a challenging fundraising environment as the cost-of-living crisis continues to bite. A small deficit budget has been approved for 2025/26 leaving the general reserve within the upper quartile of the range which is considered prudent in the current economic climate. The Trustee reviews the reserves policy on an annual basis taking account the changing internal and external risk factors.

## INVESTING FOR THE FUTURE

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

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

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

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

managers are required to monitor companies in the portfolios to ensure best practice in corporate governance, employment conditions and environmental sustainability

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

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

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

#### CIF1

Fund strategy is:

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

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

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

#### CIF2

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

Asset Class	Performance Benchmark
UK Equities	FTSE All-Share
Europe (ex UK) Equities	FTSE All World Developed Europe (ex UK)
Emerging Markets Equities	FTSE All World Emerging Markets
Asia Pacific Equities	FTSE All World Developed Asia Pacific
United States Equities	S&P 500

Property	IPD UK Property
Cash and gilts under lien	FTSE Gilts under 5 years

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

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

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

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

	CIF1	CIF1	CIF1	CIF2	CIF2	CIF2
	2025	2024	2023	2025	2024	2023
	%	%	%	%	%	%
(Decrease)/Increase in capital value of fund	(0.5)	18.64	2.9	(0.7)	12.8	(0.1)
Average net income return	0.7	1.37	0.5	0.8	0.8	0.7

## STRUCTURE, GOVERNANCE AND MANAGEMENT

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

The Salvation Army's property in the United Kingdom Territory is held by The Salvation Army Trustee Company (SATCo), a company limited by guarantee, registered in England (No 00259322), with its registered office at 1 Champion Park, London, SE5 8FJ.

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

1. The Salvation Army Social Work Trust, whose accounts are contained in this Report.
2. The Salvation Army Trust, Charity Registration No 214779 in England and SCO09359 in Scotland.

The governing document of The Salvation Army Trust is The Salvation Army Act 1980, as amended. Under Section 12(1) (a) The Salvation Army Trustee Company is appointed as the sole ordinary trustee of the trusts listed in Schedule 5 to that Act.

The governing document of The Salvation Army Social Work Trust is the Deed Poll dated 30 January 1891, and a supplementary deed dated 26 March 1969.

The Salvation Army Social Work Trust acts as managing agent for a number of projects on behalf of several registered housing associations, including Salvation Army Homes.

**Salvation Army Homes**

The Salvation Army Social Work Trust has the power to exercise control over Salvation Army Homes (SAH). SAH is registered with the Co-operative and Community Benefit Societies Act 2014 and is a registered social landlord regulated by The Regulator of Social Housing.

**RISK MANAGEMENT**

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

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

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

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

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

**Principal risks**

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

Principal Risks	Mitigation
Business Continuity - There is a risk of the occurrence of a significant incident where, during and after the incident, The Trust will not be able to continue to be viable and meet stakeholder expectations.	Business continuity policies and procedures, including the application of ISO27001 for some parts of the organisation, prepare us for management of interruptions.

Cyber - The risk is that we fail to protect our information systems and the information they hold.	We deploy multiple measures to protect our systems and the information they hold. We work within an information security international standard (ISO27001) and build on lessons from our internal and external audits in this area
Data Protection - The risk that we fail to protect sensitive and personal data.	As well as our data protection/GDPR policies and training we take steps to ensure that personal data is treated properly through appropriate security measures, staff training, the use of data protection impact assessments and contractual requirements with organisations we work with who process our personal data.
Financial Sustainability - The risk that there is insufficient revenue income from donations, legacies, grants, and reserves to support our operating model resulting in the failure of the Trust to thrive in a rapidly changing environment.	We continue to monitor the funding situation and adjust our financial planning and commitments accordingly to ensure we are financially resilient.
Safeguarding - The risk is that we fail to provide a safe environment, free from abuse, for everyone, including vulnerable beneficiaries.	We continue to maintain clear policies and procedures in relation to safeguarding and ensure the appropriate screening, training, and supervision of personnel. A subcommittee of RMC - the Territorial Safeguarding Committee - oversees management of the risk.
Safe Mission - The risk is that we are not able to ensure the health, safety and welfare of personnel, service users and members of the public who are affected by our activities.	Comprehensive policies, procedures, and guidance are in place, alongside a supervisory control framework. Two RMC subcommittees - the Safe Mission Council and the Sudden Deaths Review Group - inform the management of this risk.

## RECRUITMENT AND APPOINTMENT OF DIRECTORS

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

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

### Training and Induction of Directors

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

### **Organisational Structure and Decision Making**

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

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

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

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

### **Public Benefit**

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

We believe that in delivering public benefit we are effective because we bring the breadth of our capabilities to bear on the complex challenges being faced by our vulnerable clientele: the homeless, the oppressed through human trafficking, the elderly, and a suite of other community-focused activities. The organisation's strategy sets out how we meet those challenges to make a difference over the current decade and beyond. Find out more in the sections 'Summary of what The Social Army Social Work Trust does,' 'In the Frontline Against Modern Slavery,' 'Giving Homeless People Help and Understanding,' 'Wider Work in Our Communities' and 'Looking Forward as a Movement.'

### **Remuneration of Key Management**

Key management personnel of The Salvation Army comprise Salvation Army Officers and employees. Active Salvation Army Officers do not receive a salary; instead, they receive an allowance based on length of service and seniority of position and, as ministers of religion, are provided with furnished accommodation and a motor vehicle. The allowances received by officers in positions of key management range from £19,641.90 to £27,916.75 per annum. Further information is disclosed in Note 10 and 11 to the Accounts.

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

## RISK AND GOVERNANCE

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

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

### Directors' Responsibilities

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

The law applicable to charities in England and Wales/Scotland/Northern Ireland requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources of the group for that period. In preparing these financial statements, the Trustees are required to:

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

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

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



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

## DIRECTORS

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

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

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

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

#### *Territorial Operations Board*

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

#### *Audit Committee*

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

#### *Investment Advisory Committee*

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

#### *Nominations Committee*

Commissioner Paul Main, Colonel Peter Forrest, Ms Mandeep Gill (from 12.09.25), Lieut-Colonel Paul Kingscott (appointed 18.04.24), Lieut-Colonel Alan Read (until 01.05.24), Mr

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

#### *Risk Management Committee*

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

#### *Property Committee*

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

#### *Finance Committee*

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

#### Company Secretary

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

## **ADVISERS**

#### **Bankers**

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

#### **Auditors**

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

#### **Solicitors**

England and Wales: Slaughter and May, 1 Bunhill Row, London EC1Y 8YY

Scotland: Blackadders, 5 Rutland Square, Edinburgh EH1 2AX

#### **Investment Advisers**

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

#### **Investment Managers**

Cazenove Capital Management, 12 Moorgate, London EC2R 6DA

Sarasin & Partners LLP, Juxon House, 100 St Paul's Churchyard, London EC4M 8BU

Legal & General Investment Ltd, One Coleman Street, London, EC2R 5AA

# **INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF THE SALVATION ARMY SOCIAL WORK TRUST**

## **Opinion**

We have audited the financial statements of The Salvation Army Social Work Trust ('the charity') and its subsidiaries ('the group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 March 2025 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of The Salvation Army Act 1980, the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

## **Basis for opinion**

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

## **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's or the group's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

## **Other information**

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

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

We have nothing to report in this regard.

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustee**

As explained more fully in the trustees' responsibilities statement set out on page 49, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

We have been appointed as auditor under section 151 of the Charities Act 2011, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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

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

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operate, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Salvation Army Act 1980, General Data Protection Regulation (GDPR), CQC Regulations for service providers and managers, Health and Social Care Act, taxation legislation and employment legislation.

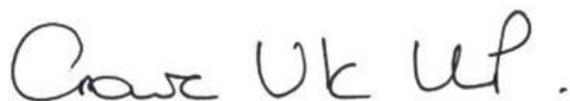
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of contract and grant income and centres' resident charges income, the valuation and completeness of investment properties and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit, legal counsel and the Audit Committee about their own identification and assessment of the risks of irregularities, designing audit procedures over investment properties, contract and grant income and centres' resident charges income, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, OSCR, CQC and reading Minutes of meetings of those charged with governance.

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

## Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads "Crowe UK LLP." The signature is written in a cursive, slightly slanted style.

**Crowe U.K. LLP**  
Statutory Auditor

London

23 December 2025

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Crowe U.K. LLP is eligible for appointment as auditor of the charity under regulation 10(2) of the Charities Accounts (Scotland) Regulations by virtue of its eligibility under section 1212 of the Companies Act 2006.

# CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 March 2025

	Note	ENDOWMENT £000	RESTRICTED £000	UNRESTRICTED £000	2025 Total £000	2024 Total £000
<b>INCOME AND ENDOWMENTS</b>						
<b>Donations and Legacies</b>						
Grants Receivable: Salvation Army Trust		-	-	26,237	26,237	29,698
Donations		-	1,195	1,027	2,222	1,419
Legacies		-	695	383	1,078	1,358
		-	<u>1,890</u>	<u>27,647</u>	<u>29,537</u>	<u>32,475</u>
<b>Charitable Activities</b>						
Centres' Operations	3	-	63	96,920	96,983	90,751
Other Social Operations	4	-	1,091	80,141	81,232	86,876
Housing Association Turnover	12	-	28,453	-	28,453	27,525
		-	<u>29,607</u>	<u>177,061</u>	<u>206,668</u>	<u>205,152</u>
Investments	5	-	906	3,744	4,650	3,431
Gains/(Losses) on disposal of fixed assets		-	(1,150)	22	(1,128)	(1,098)
<b>TOTAL INCOME</b>		-	<u>31,253</u>	<u>208,474</u>	<u>239,727</u>	<u>239,960</u>
<b>EXPENDITURE</b>						
<b>Raising Funds</b>						
Investment Management Costs		-	-	50	50	50
		-	-	<u>50</u>	<u>50</u>	<u>50</u>
<b>Charitable Activities</b>						
Centres' Operations	6	-	6,487	111,900	118,387	114,388
Other Social Operations	7	-	170	84,502	84,672	90,828
Housing Association Operating Costs	12	-	31,926	-	31,926	26,305
<b>Total charitable activities</b>		-	<u>38,583</u>	<u>196,402</u>	<u>234,985</u>	<u>231,521</u>
<b>TOTAL EXPENDITURE</b>	9	-	<u>38,583</u>	<u>196,452</u>	<u>235,035</u>	<u>231,571</u>
Net Gains/(Losses) on Investments		(312)	(85)	(623)	(1,020)	20,167
<b>Net Income/(Expenditure)</b>		<b>(312)</b>	<b>(7,415)</b>	<b>11,399</b>	<b>3,672</b>	<b>28,556</b>
Transfers Between Funds	22/23	-	14,841	(14,841)	-	-
Actuarial Gains/(Losses) on Defined Benefit Pension Schemes	11	-	265	-	265	(501)
<b>Net Movement in Funds</b>		<u>(312)</u>	<u>7,691</u>	<u>(3,442)</u>	<u>3,937</u>	<u>28,055</u>
<b>RECONCILIATION OF FUNDS</b>						
<b>Total Funds brought forward</b>		19,010	251,319	172,691	443,020	414,965
<b>Total Funds Carried Forward</b>		<u>18,698</u>	<u>259,010</u>	<u>169,249</u>	<u>446,957</u>	<u>443,020</u>

All income and expenditure has arisen from continuing activities. Detailed comparative information is provided in note 30. Notes 1 to 30 form an integral part of these accounts.

# BALANCE SHEETS

AS AT 31 March 2025

	Note	Group		Parent	
		2025 £000	2024 £000	2025 £000	2024 £000
<b>FIXED ASSETS</b>					
Tangible fixed assets					
Properties	13	181,612	183,728	64,535	66,835
Property schemes in progress	14	1,081	1,520	151	1,443
Motor vehicles and equipment	15	1,850	1,441	500	88
Investments	16	161,801	199,321	161,801	162,821
<b>TOTAL FIXED ASSETS</b>		<b>346,344</b>	<b>386,010</b>	<b>226,987</b>	<b>231,187</b>
<b>CURRENT ASSETS</b>					
Stocks		211	206	211	206
Debtors	17	31,900	87,314	27,223	84,658
Current asset investment		2,000	-	2,000	-
Short-term deposits		51,874	8,027	51,874	8,027
Cash at bank		54,274	23,866	28,676	19,510
		140,259	119,413	109,984	112,401
<b>CREDITORS: amounts falling due within one year</b>	18(a)	<b>(32,827)</b>	<b>(43,743)</b>	<b>(22,443)</b>	<b>(31,609)</b>
<b>NET CURRENT ASSETS</b>		<b>107,432</b>	<b>75,670</b>	<b>87,541</b>	<b>80,792</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>453,776</b>	<b>461,680</b>	<b>314,528</b>	<b>311,979</b>
<b>CREDITORS: amounts falling due after more than one year</b>	18(b)	<b>(4,801)</b>	<b>(15,799)</b>	-	-
Defined benefit pension scheme liability	11	(2,018)	(2,861)	-	-
<b>TOTAL NET ASSETS</b>		<b>446,957</b>	<b>443,020</b>	<b>314,528</b>	<b>311,979</b>
<b>FUNDS</b>					
Endowment funds	21	18,698	19,010	18,698	19,010
Restricted funds	22	259,010	251,319	126,581	120,278
Unrestricted funds	23	169,249	172,691	169,249	172,691
<b>TOTAL FUNDS</b>	24	<b>446,957</b>	<b>443,020</b>	<b>314,528</b>	<b>311,979</b>

Notes 1 to 30 form an integral part of these accounts.

Approved on behalf of The Salvation Army Trustee Company on 12 December 2025 by:



Colonel Peter Forrest (Director)



Commissioner Paul Main (Director)

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 March 2025

	Notes	2025 £000	2025 £000	2024 £000	2024 £000
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Net cash provided by/(used in) operating activities	25		58,007		(32,671)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Investment and rental income		4,650		3,431	
Additions to properties		(6,247)		(7,177)	
Additions to motor vehicles and equipment		(738)		(748)	
Additions to schemes in progress		(1,024)		(5,732)	
Placing of money on deposit		(2,000)		-	
Proceeds of disposal of investments		36,500		-	
Proceeds on disposals of property		1,911		1,354	
Net cash provided by/(used in) investing activities			33,052		(8,872)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>					
Interest payable		(1,091)		(1,371)	
Repayment of loans		(15,714)		(2,473)	
Cash inflow from new loans		-		3,500	
Net cash (used in) financing activities			(16,805)		(344)
<b>Change in cash and cash equivalents in the year</b>			74,255		(41,887)
Cash and cash equivalents at the beginning of the year			31,893		73,780
Cash and cash equivalents at the end of the year			106,148		31,893

## ANALYSIS OF CHANGES IN NET DEBT

	Balance 1 April 2024	Cash-Flows	Non-cash flows	Balance 31 March 2025
	£000	£000	£000	£000
Cash at bank	23,866	30,408	-	54,274
Short term deposit	8,027	43,847	-	51,874
<b>Total cash and cash equivalents</b>	<b>31,893</b>	<b>74,255</b>	<b>-</b>	<b>106,148</b>
Loans falling due within one year	(4,825)	4,825	(109)	(109)
Loans falling due after more than one year	(15,799)	10,889	109	(4,801)
	11,269	89,969	-	101,238

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

## 1. CHARITY INFORMATION

The Salvation Army in the UK is an integrated, yet diverse, organisation that contributes to the betterment of society in the service of God and people. Legally we are structured under two main trusts. These are:

- The Salvation Army Trust (Charity Registration No. 214779 in England and Wales, and SC009359 in Scotland)
- The Salvation Army Social Work Trust (Charity Registration No. 215174 in England and Wales, and SC037691 in Scotland)

These financial statements are for The Salvation Army Social Work Trust ('Social Work Trust,' 'the Trust'). The address of the registered office is 1 Champion Park, London, SE5 8FJ.

## 2. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements for the Social Work Trust, which have been consistently applied, are as follows:

### (a) Basis of Accounting

The accounts (financial statements) have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standards applicable in the UK and the Republic of Ireland and Charity SORP (FRS102) applicable to charities preparing their accounts in accordance with FRS102, The Salvation Army Act 1980, the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the previous Statement of Recommended Practice: Accounting and Reporting by Charities which was effective from 1 April 2005 but which has since been withdrawn.

Social Work Trust meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

### (b) Going Concern

The Trust has felt the financial impact of global economic factors, particularly the high inflation rates on our cost base plus the related cost of living crisis. At the time of writing, inflation in the UK is 3.6%. The Bank of England projects that inflation will fall to around 2% by mid-2026, but this remains a watching brief with the current instability arising through the trade tariffs being imposed by the USA and the global political unrest. The organisation anticipates that the trading environment will continually be challenging. The Trust has a significant contract with the Home Office, £79.0m (2024: £76.0m) which supports the Anti-Human Trafficking Programme. This equates to 90.9% (2024: 87.5%) of the Other Social Operations income stream, and should this contract be terminated; it would also mean that £76.8m expenditure (2024: £82.2m) would no longer be incurred. The Trust could continue to operate without a significant impact upon other service deliverables.

Financial projections and other supporting financial models that detail potential financial impacts upon the Social Work Trust, are reviewed on a regular basis by the operational boards as well as further scenario planning to assess the potential short, medium, and long-term financial implications of other risks and opportunities. Albeit this is currently undertaken on a lower-level scale.

Looking ahead, we plan to better utilise the financial reserves to support the organisation and where necessary invest in strategic priorities. This financial year, 2024-25 saw us continuing to spend on our strategic aims and utilising reserves to do this where possible. The closing unrestricted reserves were £169m (2024: £173m) and the cash and bank balances were £54.3m (2024: £23.9m). The significant increase in cash is due to significant funds being generated from investment property disposals in the year and the £35m deposit held by The Salvation Army Trust on behalf of the Social Work Trust in the prior year which was transferred over this year. Based on cash flow forecasts prepared covering the period to 31 March 2027, the Directors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future, being at least twelve months from the date of approval of these financial statements and are not aware of any material uncertainties that may adversely affect the organisation. Accordingly, the financial statements will continue to be prepared on the going-concern basis.

(c) **Basis of Consolidation**

Social Work Trust has one subsidiary entity, the Salvation Army Homes ('SAH'). SAH is a charitable provider of supported housing and support services across England, registered under the Co-operative and Community Benefit Societies Act 2014 (registration no. 15210R) and is also registered with the Regulator of Social Housing (registration no. LH 2429). SAH has one active subsidiary, Kingsown Property Limited, and one dormant subsidiary, SAH Developments Limited, whose results are consolidated in the SAH financial statements. The accounts of The Salvation Army Social Work Trust consolidate SAH's accounts using the acquisition method. The Statement of financial activities (SOFA) and balance sheet consolidate, on a line-by-line basis, the financial statements of the Trust and its subsidiary undertakings. The Trust has taken advantage of the exemption in FRS102 from the requirement to prepare a charity-only cash flow statement and certain disclosures about the Trust's financial statements.

(d) **Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Trust's accounting policies, Directors of the sole trustee are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are 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 if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

(i) **Bad debt provision**

Gross debtor balances are reviewed monthly by management and where they assess that there is sufficient doubt as to recoverability a percentage of provision is made where necessary. Accommodation charges outstanding are reviewed on a line-by-line basis and the provision is based on a number of factors including the age of the debt, value, and the socio-economic situation of the debtor under review.

(ii) **Defined Benefit Obligation**

The Salvation Army Social Work Trust contributes to the underlisted defined benefit pension or similar schemes in respect of its staff:

- **The Salvation Army Officers' Pension Fund relating to Salvation Army Officers**

Contribution levels are based on a number of critical underlying assumptions such as post and pre-retirement discount rates, rates of increase in allowances and pensions as well

as the rate of inflation. The Fund has a funding surplus; no deficit funding provision is required although variation in these assumptions may significantly impact the surplus (as analysed in Note 11(i)).

- **The Salvation Army Employees' Pension Fund**

This is a multi-employer defined benefit scheme. Managements' estimate of the defined benefit obligation is based on a number of critical underlying assumptions such as post and pre-retirement discount rates, rates of increase in allowances and pensions as well as the rate of inflation. The scheme has a funding surplus; no deficit funding provision is required although variation in these assumptions may significantly impact the surplus (as analysed in Note 11(ii)).

- **The Salvation Army Homes participates in the Social Housing Pension Scheme, a multi-employer defined benefit scheme.**

Management's estimate of the defined benefit obligation is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the liability and the annual defined benefit expenses (as analysed in Note 11). The group net defined benefit pension obligation at 31 March 2025 was £2,018,000 (2024: £2,861,000).

(iii) **Identification and valuation of investment properties**

Social Work Trust's property portfolio is reviewed annually to identify investment properties, which are those properties held to earn income or for capital appreciation rather than to be used for its charitable purposes. Properties no longer used for charitable purposes but retained until market conditions allow their disposal are not treated as investment properties, provided disposal is intended within a three-year window. If disposal does not occur within this period and the property is not re-engaged for charitable purposes, it is reclassified to investment property.

After initial recognition, investment property is measured at its fair value which is determined by members of staff with relevant experience and qualifications, and the valuation is performed using open market data for comparable properties. The property will be valued at each subsequent reporting date.

(e) **Income**

All income is included in the SOFA when the Trust is entitled to the income, receipt is probable, and the amount can be measured reliably. Income includes:

- (i) **Donations and Legacies:** Donations are accounted for when received. No amounts are included in the financial statements for services by volunteers. Gift Aid receivable is included as income when the donation is made and where there is valid Gift Aid declaration from the donor.

Legacies income is recognised when it satisfies the following criteria:

- a) There is sufficient evidence of a legacy having been left to the Trust based on probate having been granted before the year end;
- b) The Trust has been notified and has a reasonable estimate of the amount due. For residuary legacy interests, the Trust has received the confirmation of sufficient assets in the estate, in the form of either a summary of the estate from Smee & Ford or an assets and liabilities statement or estate accounts; and there are no known outstanding disputes. For all other types of legacy interests, the Trust has a reasonable estimate of the amount due. In each case this information is notified to the Trust by the date of signing the accounts;
- c) Where a legacy is subject to the interest of a life tenant, the income will not be recognised until the death of the life tenant; and
- d) Measurement of legacy income due from a residuary estate is exposed to inherent uncertainties represented by property and other investments whose value is subject to market fluctuations until realised. Additionally, professional administrative fees are incurred during an estimate administration until final distribution. The Trust recognises these uncertainties by using the latest available estate valuation information and allowing for these fluctuations by applying a discount provision

against income of between 5% and 20% per estate (10% from October 2024), based on the individual circumstances of each estate. This estimate has been revised during the current year to reflect management's best estimate of final estate values to be received.

The estimated value of legacies notified, but neither received nor included in income, is £nil (2024: £0.6m).

- (ii) **Grants including Government grants** are recognised when they are receivable providing that any conditions attached to the grants have been fulfilled. Where, at the balance sheet date, conditions remain unfulfilled, the grants are deferred pending satisfaction of these conditions. Grants received in advance of entitlement conditions being met are deferred on the balance sheet. If amounts are receivable for specific purposes, the income is shown as restricted.
- (iii) **Investment Income:** Dividends, interest and rent from investment properties are recognised in the year for which they are received or receivable.
- (iv) **Realised gains on disposal of assets** are reflected in the Statement of Financial Activities in the year of disposal. Profits on disposal of investments are calculated by reference to the asset's carrying value.
- (v) **Maintenance and Special Care Allowance** is recognised on an accruals basis when legal entitlement exists, receipt is probable, and the amount can be quantified with reasonable accuracy.

(f) **Expenditure**

Expenditure is charged on the accruals basis when a legal or constructive obligation arises, and when the amount can be measured reliably. Irrecoverable Value Added Tax is charged to the related expenditure. Total expenditure includes:

- (i) **Raising Funds:** This includes costs of managing the Trust's financial investments, recognised in the period the costs relate to on an accruals basis.
- (ii) **Charitable Activities:** Costs reflect all expenditure relating directly to the charitable objects of the Trust, adding attributable overheads and an allocation of governance costs. Attributable overheads are allocated over the range of charitable activities on an actual basis where possible, otherwise on a basis which is consistent with the utilisation of resources.
- (iii) **Governance Costs** reflect the costs incurred under the governance arrangements of the charity which consist of the costs of complying with legislation including audit, legal services, and strategic planning. Support costs have been apportioned to each category of expenditure: number of Full-Time Equivalent staff, equipment per headcount, transactions, and buildings per cost centre.
- (iv) **Support costs:** Items which cannot be attributed fully to Charitable Activities, Raising Funds or Governance have been apportioned to each category of expenditure based on the most relevant measure out of number of Full-Time Equivalent staff, equipment per headcount, transactions per cost centre, or buildings per cost centre.

(g) **Pension and Similar Costs**

The Salvation Army Social Work Trust contributes to three pension or similar schemes in respect of its staff:

- The Salvation Army Officers' Pension Fund relating to Salvation Army Officers;
- The Salvation Army Employees' Pension Fund; and
- The Salvation Army Employees' Defined Contribution Scheme, a defined contribution scheme.

The Salvation Army Officers' Pension Fund was established by The Salvation Army Act 1963 under the legal name, The Salvation Army Officers Pension Fund. It is a registered charity and retirement benefits are not guaranteed and are paid at the discretion of the

Board of the Fund. It is non-contributory and has historically been funded by Salvation Army trusts (including The Salvation Army Trust and The Salvation Army Social Work Trust); however, there have been no payments made to the Fund during the current year. Officers that serve in the principal Trusts (The Salvation Army Trust and The Salvation Army Social Work Trust) may receive a retirement allowance from the Fund in the future, although, it is not possible to allocate the assets and constructive liabilities of the Fund between the Trusts. Therefore, the Fund is accounted for in a similar way as a multi-employer pension fund.

The Salvation Army Employees' Pension Fund is a defined benefit scheme. The Trust is not the only participating employer in the Fund and it is unable to determine its share of the underlying assets and liabilities on a consistent and reasonable basis. This is because contributions paid into the Fund have not been invested separately from those paid by other employers participating in the Fund. As such, no separate fund is identifiable in respect of the Trust. To determine a current fund for each participating employer it would be necessary to separately account for contributions, benefit payments and investment returns for each participating employer.

Under the terms of the Fund, the assets and liabilities are pooled amongst the participating employers. If a participating employer were to cease to participate then that employer would be required to pay a debt, via a Section 75 Debt, to fully fund their share of the Fund's liabilities. The Trust would not be liable for another employer's debt but has an option to assume responsibility under an apportionment arrangement.

The Fund closed to the future accrual of pensionable service with effect from 30 April 2023 and therefore regular employer contributions ceased on this date.

A full actuarial valuation of the Fund was carried out at 31 March 2021 by the Fund Actuary. The valuation disclosed a past service surplus of £2.5m.

An update of the funding position as at 31 March 2025 was carried out by the Fund Actuary. This showed that the past service surplus had increased from £2.5m to a surplus of £52.8m on the 2021 valuation basis.

Since 1 January 2012, employees joined The Salvation Army Employees' Defined Contribution Scheme.

In addition, Salvation Army Homes participates in three pension or similar schemes in respect of its staff.

The Salvation Army Homes (SAH) participates in the following pension schemes:

- (i) Social Housing Pension Scheme, a multi-employer defined benefit scheme. Management's estimate of the defined benefit obligation is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the liability and the annual defined benefit expenses. The net defined benefit pension obligation at 31 March 2025 was £2,018,000.
- (ii) The auto-enrolment SHPS defined contribution pension scheme, the contributions on which are charged when payments to the pension scheme fall due.
- (iii) The Pension Trust Growth Plan, a multi-employer defined benefit scheme. The pension charge represents the amounts payable by the company to the scheme in respect of the year. In the past, this scheme included a defined benefit element as the pensions were index linked, so where there is a contractual obligation to make payments under a deficit reduction plan in respect of the former defined benefit element of the scheme, this has been recognised as a liability in full in the financial statements.

(h) **Fixed Assets**

- (i) **Expenditure on the acquisition or improvement of property** is reflected as a fixed asset, whereas costs of repairs and renewals to property are charged to the Statement of Financial Activities. The non-capital element of property schemes is written off in the year in which costs are incurred.

All properties are disclosed at cost less accumulated depreciation other than SAH properties at the dates of acquisition (19 January 2011 and 2 March 2017) which were brought into account at those dates at fair values (being an existing use social housing valuation (EUV - SH) prepared by independent chartered surveyors). These properties are subsequently depreciated at the rates indicated below.

- (ii) **Expenditure on the acquisition of vehicles** is capitalised and expenditure on computer equipment and other office equipment which exceeds £15,000 in value is capitalised and depreciated over its economic life. Any equipment acquired at centres is written off in the year of acquisition.
- (iii) In accordance with FRS 102 component accounting has been adopted for freehold and long leasehold properties. A property comprises of major components with different useful lives. Depreciation is charged on major components so as to write off the cost of the components to their residual values, over their estimated useful lives, using the straight-line method, as follows

Freehold Land	Not depreciated
Building - Main Fabric (structure)	50 years
<u>Major Components</u>	
Roof structure and covering	50 years
Bathrooms and WCs	20-30 years
Lifts	25 years
Mechanical and Electrical Systems	25 years
Windows and External Doors	25 years
Kitchens	20 years

Short leasehold properties are depreciated over the term of the lease.

- (iv) Depreciation is provided on other tangible fixed assets at the following rates:
 

Motor Vehicles	- 3-4 years
Office Equipment	- 3-10 years
- (v) The Social Work Trust has achieved partnership status with the Homes England which means that it can access capital funds from this source to assist with the costs of schemes. SAH has always been able to access this funding. Grants arising are credited to restricted income except where the income is subject to certain restrictions which remain unfulfilled at the accounting reference date, in which case the income is deferred. A proportion of the depreciation charge arising on the properties concerned is charged against these restricted funds.

(i) **Investments and Investment Properties**

To comply with the Charities SORP, investments are included at fair value (their market value bid price). Realised gains on investments are calculated as the difference between sales proceeds and the market value of those investments at the beginning of the accounting period.

The Salvation Army Social Work Trust holds some investment properties, and its subsidiary SAH owns properties held for market rent or commercial lettings and these are included as investment properties and are recorded at fair value with changes in the market value reported annually in the statement of financial activities. The fair value of the investment property is determined by members of staff with relevant experience and qualifications. The residential investment properties have been valued by the comparable method of valuation in accordance with The Royal Institution of Chartered Surveyors comparable evidence in real estate valuation - Professional Standard, using a market approach. These valuations have been benchmarked using a data system called Sprift.

A valuation by an independent valuer was not performed.

(j) **Stocks**

Stocks are valued at the lower of cost and net realisable value.

(k) **Cash, short-term deposits and current asset investments**

Cash include cash in hand, deposits with banks and funds that are readily convertible into cash at, or close to, their carrying values, but not held for investment purposes. Short-term deposits are amounts not accessible for a period of up to 3 months. Current asset investments are amounts not accessible for a period of between 3 months and 12 months.

(l) **Funds**

- (i) **Endowments consist of** permanent endowments and expendable endowments. The capital of permanent endowments must by law be retained. Expendable endowments are funds where the capital can be maintained or expensed at the discretion of the Trustee. It is the Trustee's current intention that the capital will be maintained.
- (ii) **Restricted Funds are held for** restricted purposes, as specified by the donors. All SAH funds are reflected in the consolidated accounts as restricted funds. Social Work Fund represents monies already expended on the acquisition, construction and improvement of freehold and leasehold properties, schemes in progress and unspent funds.
- (iii) **Unrestricted Funds include:**
- Designated Reserves held for purposes designated by The Trustee in the exercise of its discretionary powers;
  - Unrealised Gains Reserve held to separate unrecognised gains still subject to market risk; and
  - General Reserve representing the net assets not designated for specific purposes.
- (iv) **Transfers between funds arise** from the sale or purchase of property or the approval of funding for property schemes in progress which are transferred between unrestricted and restricted funds.

(m) **Financial instruments classification**

All financial instruments, including loans, are classified as 'basic.' Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method.

Financial assets held at amortised cost comprise cash at bank and in hand, together with trade debtors, other debtors, and accrued income. Financial assets held at fair value include investments including investment property, excluding cash held as part of the investment portfolio.

Financial liabilities held at amortised cost comprise trade creditors, other creditors, and accruals.

### 3. CHARITABLE ACTIVITIES: CENTRE OPERATIONS

	2025				2024	
	Maintenance & Special Care Allowance £000	Supporting People £000	Local Authority & Other Grants £000	Catering & Miscellaneous Income £000	Total £000	Total £000
<b>Social services centres:</b>						
Older people	17,318	-	31	85	17,434	15,805
Single homeless	13,292	12,137	485	281	26,195	24,138
Family and children	2,015	2,545	657	488	5,705	5,372
Day care	-	267	-	36	303	293
Addictions	784	778	14	6	1,582	1,632
Other non-residential programmes	24	1,186	1,570	1,643	4,423	4,153
	<b>33,433</b>	<b>16,913</b>	<b>2,757</b>	<b>2,539</b>	<b>55,642</b>	<b>51,393</b>
<b>Housing association centres:</b>						
Older people	1,331	-	-	23	1,354	1,172
Single homeless	26,265	10,345	743	488	37,841	35,879
Family and children	1,108	605	80	12	1,805	1,789
	<b>28,704</b>	<b>10,950</b>	<b>823</b>	<b>523</b>	<b>41,000</b>	<b>38,840</b>
<b>Social enterprise</b>	<b>1</b>	<b>-</b>	<b>84</b>	<b>256</b>	<b>341</b>	<b>518</b>
<b>Total 2025</b>	<b>62,138</b>	<b>27,863</b>	<b>3,664</b>	<b>3,318</b>	<b>96,983</b>	<b>90,751</b>
<b>Total 2024</b>	<b>56,982</b>	<b>26,221</b>	<b>3,969</b>	<b>3,579</b>		<b>90,751</b>

Income of £63,000 (2024: £281,000) is restricted.

£215,000 (2024: £105,000) of government grants, £2,140,000 (2024: £2,541,000) of local authority grants and £918,000 (2024: £971,000) of other grants were received for outsourced services performed by the Trust on behalf of local authorities and other government bodies. There were no unfulfilled conditions relating to these grants. Also see Note 4 for details of other government grants received.

	-----2024-----				
	Maintenance & Special Care Allowance £000	Supporting People £000	Local Authority & Other Grants £000	Catering & Miscellaneous Income £000	Total £000
<b>Social services centres</b>					
Older people	15,686	-	9	110	15,805
Single homeless	11,763	11,193	459	723	24,138
Family and children	1,878	2,374	764	356	5,372
Day care	-	250	-	43	293
Addictions	811	782	32	7	1,632
Other non-residential programmes	159	1,039	1,523	1,432	4,153
	<b>30,297</b>	<b>15,638</b>	<b>2,787</b>	<b>2,671</b>	<b>51,393</b>
<b>Housing association centres</b>					
Older people	1,169	-	-	3	1,172
Single homeless	24,453	9,901	1,109	416	35,879
Family and children	1,063	650	29	47	1,789
	<b>26,685</b>	<b>10,551</b>	<b>1,138</b>	<b>466</b>	<b>38,840</b>
<b>Social enterprise</b>	-	32	44	442	518
<b>Total 2024</b>	<b>56,982</b>	<b>26,221</b>	<b>3,969</b>	<b>3,579</b>	<b>90,751</b>

#### 4. OTHER SOCIAL OPERATIONS

	2025				2024	
	Maintenance & Special Care Allowance £000	Home Office Contract £000	Local Authority & Other Grants £000	Catering & Miscellaneous Income £000	Total £000	Total £000
Employment Plus	-	-	1,656	111	1,767	1,430
Anti-Human Trafficking	-	78,993	157	-	79,150	85,198
Defence Services Operations	-	-	-	256	256	211
Family Tracing, Counselling etc	-	-	-	59	59	37
<b>Total 2025</b>	<b>-</b>	<b>78,993</b>	<b>1,813</b>	<b>426</b>	<b>81,232</b>	<b>86,876</b>
<b>Total 2024</b>	<b>-</b>	<b>75,989</b>	<b>1,446</b>	<b>9,441</b>		<b>86,876</b>

Local authority and other grants include £1,156,000 (2024: £889,000) of Employment Services Contracts and £468,000 (2024: £383,000) of government grants. There were no unfulfilled conditions relating to these grants.

-----2024-----					
	Maintenance & Special Care Allowance £000	Home Office Contract £000	Local Authority & Other Grants £000	Catering & Miscellaneous Income £000	Total £000
Employment plus	-	-	1,272	158	1,430
Anti-human trafficking	-	75,989	174	9,035	85,198
Defence services operations	-	-	-	211	211
Family tracing, counselling etc	-	-	-	37	37
<b>Total 2024</b>	<b>-</b>	<b>75,989</b>	<b>1,446</b>	<b>9,441</b>	<b>86,876</b>

## 5. INVESTMENT INCOME

	Restricted £000	Unrestricted £000	2025 Total £000	2024 Total £000
Dividends and interest receivable	906	3,247	4,153	2,754
Rents receivable	-	269	269	439
Rental income from investment properties	-	228	228	238
	<b>906</b>	<b>3,744</b>	<b>4,650</b>	<b>3,431</b>

## 6. ANALYSIS OF CENTRES' OPERATIONS COSTS

	2025						2024	
	Salaries & Other Staff Costs	Catering, Cleaning & Other Services	Other Operating Costs	Property & Furnishings	Support Costs	Governance Costs	Total	
	£000	£000	£000	£000	£000	£000	£000	
<b>Social services centres</b>								
Older people	16,603	1,175	958	4,496	2,381	323	25,936	24,505
Single homeless	17,051	686	5,760	5,461	819	43	29,820	28,114
Family and children	4,065	25	509	1,211	909	10	6,729	6,006
Day care	558	17	37	152	125	1	890	601
Addictions	1,669	4	169	355	244	4	2,445	2,305
Other non-residential programmes	4,699	710	583	1,417	961	61	8,431	9,839
	<b>44,645</b>	<b>2,617</b>	<b>8,016</b>	<b>13,092</b>	<b>5,439</b>	<b>442</b>	<b>74,251</b>	<b>71,370</b>
<b>Housing association centres</b>								
Older people	1,173	111	314	164	306	3	2,071	1,885
Single homeless	20,499	2,206	3,072	7,248	5,332	66	38,423	37,830
Family and children	1,182	4	299	392	290	3	2,170	2,289
	<b>22,854</b>	<b>2,321</b>	<b>3,699</b>	<b>7,804</b>	<b>5,928</b>	<b>72</b>	<b>42,678</b>	<b>42,004</b>
<b>Social enterprise</b>	291	209	71	735	111	41	1,458	1,014
<b>Total 2025</b>	<b>67,790</b>	<b>5,147</b>	<b>11,786</b>	<b>21,631</b>	<b>11,478</b>	<b>555</b>	<b>118,387</b>	<b>114,388</b>
<b>Total 2024</b>	<b>61,423</b>	<b>4,874</b>	<b>18,253</b>	<b>18,517</b>	<b>10,660</b>	<b>661</b>	<b>114,388</b>	<b>114,388</b>

Governance costs include external audit fees, exclusive of VAT, of £361,875 (being £181,875 for the year ended 31 March 2025 and £180,000 for first year audit transition fees) (2024: £145,500) for the Trust, £53,040 (2024: £45,200) for SAH and £5,639 (2024: £6,273) for Kingsown Property Limited (subsidiary of SAH).

Non-audit service fees, exclusive of VAT, payable to the auditor were £86,889 (2024: £59,607) for the Trust, £Nil (2024: £Nil) for SAH and (£13,838) (2024: £4,418) for Kingsown Property Limited.

£6,487,000 (2024: £9,293,000) of centres' operations costs are funded from restricted funds.

	-----2024-----						
	Salaries & Other Staff Costs £000	Catering, Cleaning & Other Services £000	Other Operating Costs £000	Property & Furnishings £000	Support Costs £000	Governance Costs £000	Total £000
<b>Social services centres</b>							
Older people	15,265	1,103	868	4,899	2,285	85	24,505
Single homeless	14,991	598	5,292	5,408	1,451	374	28,114
Family and children	3,712	34	511	888	853	8	6,006
Day care centres	326	4	9	145	116	1	601
Addictions	1,460	3	243	431	165	3	2,305
Other non-residential programmes	4,755	635	1,152	1,870	1,415	12	9,839
	<u>40,509</u>	<u>2,377</u>	<u>8,075</u>	<u>13,641</u>	<u>6,285</u>	<u>483</u>	<u>71,370</u>
<b>Housing association centres</b>							
Older people	956	109	345	223	250	2	1,885
Single homeless	18,538	2,152	9,406	3,883	3,678	173	37,830
Family and children	1,099	3	346	513	325	3	2,289
	<u>20,593</u>	<u>2,264</u>	<u>10,097</u>	<u>4,619</u>	<u>4,253</u>	<u>178</u>	<u>42,004</u>
<b>Social enterprise</b>	321	233	81	257	122	-	1,014
<b>Total Costs 2024</b>	<u>61,423</u>	<u>4,874</u>	<u>18,253</u>	<u>18,517</u>	<u>10,660</u>	<u>661</u>	<u>114,388</u>

## 7. OTHER SOCIAL OPERATIONS

	2025						2024	
	Salaries & Other Staff Costs	Catering, Cleaning & Other Services	Other Operating Costs	Property & Furnishings	Support Costs	Governance Costs	Total	Total
	£000	£000	£000	£000	£000	£000	£000	£000
<b>Social Services Centres</b>								
Employment Plus	5,387	4	317	69	158	3	5,938	5,356
Anti-Human Trafficking	7,648	89	67,431	1,661	153	1	76,983	82,168
Defence Services Operations	217	109	24	4	10	-	364	327
Family Tracing, Counselling etc	891	3	485	-	8	-	1,387	2,977
<b>Total 2025</b>	<b>14,143</b>	<b>205</b>	<b>68,257</b>	<b>1,734</b>	<b>329</b>	<b>4</b>	<b>84,672</b>	<b>90,828</b>
<b>Total 2024</b>	<b>14,259</b>	<b>198</b>	<b>75,071</b>	<b>1,161</b>	<b>109</b>	<b>30</b>		<b>90,828</b>

Employment Plus includes a number of matched funding contracts.

-----2024-----							
	Salaries & Other Staff Costs	Catering, Cleaning & Other Services	Other Operating Costs	Property & Furnishings	Support Costs	Governance Costs	Total
	£000	£000	£000	£000	£000	£000	£000
<b>Social services centres</b>							
Employment plus	4,905	3	301	79	68	-	5,356
Anti-human trafficking	7,304	87	73,652	1,060	35	30	82,168
Defence services operations	188	100	29	4	6	-	327
Family tracing, counselling etc	1,862	8	1,089	18	-	-	2,977
<b>Total costs 2024</b>	<b>14,259</b>	<b>198</b>	<b>75,071</b>	<b>1,161</b>	<b>109</b>	<b>30</b>	<b>90,828</b>

## 8. ANALYSIS OF SUPPORT COSTS

Support costs consist of:	2025 £	2024 £
Governance	424	357
Communications	189	132
Personnel	3,144	2,997
Business administration	7,799	7,084
Mission service management	251	199
<b>Total</b>	<b>11,807</b>	<b>10,769</b>

## 9. ANALYSIS OF TOTAL EXPENDITURE

	Staff costs £000	Depreciation £000	Other Costs £000	2025 Total £000	2024 Total £000
Raising funds	-	-	50	50	50
Charitable activities	93,852	5,711	135,422	234,985	231,471
	<b>93,852</b>	<b>5,711</b>	<b>135,472</b>	<b>235,035</b>	<b>231,521</b>

## 10. PERSONNEL

	2025 Parent £000	2024 Parent £000	2025 Subsidiary £000	2024 Subsidiary £000	2025 Total £000	2024 Total £000
Allowances and salaries	58,806	53,526	9,666	9,055	68,472	62,581
Social security costs	5,123	4,649	1,029	850	6,152	5,499
Pension and similar costs	3,709	3,283	1,144	1,130	4,853	4,413
	<b>67,638</b>	<b>61,458</b>	<b>11,839</b>	<b>11,035</b>	<b>79,477</b>	<b>72,493</b>
Temporary agency staff costs	13,344	13,173	1,031	1,032	14,375	14,205

£3,144k (2024: £2,997k) of staff costs have been paid by SAT and recharged across.

### Redundancy Costs

Redundancy costs relating to employees in the Social Work Trust, including SAH, amounted to £393,114 (2024: £347,703). Redundancy costs are recognised once a decision to make a post redundant has been communicated to an individual or the workforce. There are redundancy and termination payment liabilities of £Nil for 2025 (2024: £Nil).

The average number of officer and employees was:

	2025 Headcount No.	2024 Headcount No. (restated)
<b>Trust</b>		
Number of officers	70	68
Number of employees	2,016	1,975
	<b>2,086</b>	<b>2,043</b>
<b>Subsidiary</b>	376	349
<b>Total</b>	<b>2,462</b>	<b>2,392</b>

The comparatives have been restated due to an error in the calculation in the prior year.

## Higher-Paid Employees

The following indicates the number of the group's and parent's employees earning between:

	2025 Parent No.	2025 Subsidiary No.	2025 Total No.	2024 Total No.
£60,001 - £70,000	18	6	24	16
£70,001 - £80,000	15	2	17	6
£80,001 - £90,000	2	2	4	10
£90,001 - £100,000	2	1	3	1
£100,001 - £110,000	2	-	2	1
£110,001 - £120,000	1	-	1	-
£120,001 - £130,000	1	-	1	1
£130,001 - £140,000	-	1	1	-
£140,001 - £150,000	-	1	1	1
£150,001 - £160,000	-	1	1	1
	<b>41</b>	<b>13</b>	<b>54</b>	<b>36</b>

The directors of The Salvation Army Trustee Company comprise Salvation Army Officers and other external directors with specialist expertise. All active Salvation Army Officers receive an allowance based on length of service and, as ministers of religion, are provided with furnished accommodation and a motor vehicle. The allowances received by the officers serving as directors ranged from £19,641.90 to £27,916.75 per annum (2024: £20,280.32 to £24,939.79 per annum) and they did not receive any additional remuneration for their duties as directors. No allowances or salaries paid to any of the directors are charged direct to the Social Work Trust and therefore the cost is not included in the Trust's Statement of Financial Activities but is disclosed in this note.

No expenses were incurred by the directors of The Salvation Army Trustee Company in relation to their role as directors.

The costs of indemnity insurance, to protect The Salvation Army Trustee Company directors against claims for neglect or default, were borne by The Salvation Army Trust.

Certain directors of SAH are remunerated. Lieut-Colonel Drew McCombe is a director of both SAH and of The Salvation Army Trustee Company. He is remunerated £5,000 (2024: £4,000) which is donated to The Salvation Army Trust. Mr. Philip Edwards is also a director of both SAH and of The Salvation Army Trustee Company, he is remunerated £6,000 (2024: £652).

Salvation Army Officers who are members of SATCO have 13 (2024: eight) family members who are officers and are paid an allowance in accordance with The Salvation Army Act. The allowances received by these family members ranged from £8,153.47 to £26,804.35 per annum in 2024/25 (2024: £4,538.84 - £18,531.47).

### Key Management Personnel

The key management personnel of the Trust are those persons having authority and responsibility for planning, directing, and controlling the activities of the Trust, directly or indirectly. This is defined by the Trust as the directors of The Salvation Army Trustee Company as the Corporate Trustee of the Trust and the executive directors (officers and employees) of the Trust. The total aggregate remuneration, including employer National Insurance and pension contributions for the year paid to key management personnel during the year was £1,731,179 (£187,349 was paid by Social Work Trust and £1,543,830 was paid by Salvation Army Trust) (2024: £1,445,473).

## 11. PENSION AND SIMILAR COSTS

The Salvation Army Social Work Trust may make contributions to three pension or similar schemes in respect of its officers or staff:

- (i) The Salvation Army Officers Pension Fund relating to Salvation Army Officers,
- (ii) The Salvation Army Employees' Pension Fund for other staff, a defined benefit scheme which closed to new members with effect from 31 December 2011 and ceased accruing benefits for existing members on 30 April 2023.
- (iii) The Salvation Army Defined Contribution Pension Scheme,

Salvation Army Homes participates in the Social Housing Pension Scheme. Amounts charged in respect of pension fund contributions for the year are disclosed in Note 10 above.

- **SALVATION ARMY OFFICERS PENSION FUND**

The Salvation Army Officers Pension Fund ('the Fund') was established by The Salvation Army Act 1963 under the legal name, The Salvation Army Officers Pension Fund. It is a registered charity and retirement benefits are not guaranteed and are paid at the discretion of the Board of the Fund. It is non-contributory and is funded by Salvation Army Trusts (including The Salvation Army Trust and The Salvation Army Social Work Trust); however, there have been no payments made to the Fund during the current year. Officers that serve in the principal Trusts (The Salvation Army Trust and The Salvation Army Social Work Trust) may receive a retirement allowance from the Fund in the future, although, it is not possible to allocate the assets and constructive liabilities of the Fund between the Trusts. Therefore, as both Salvation Army Trust and Social Work Trust may contribute to the Fund, it is, for accounting purposes, disclosed and accounted for in a similar way to a multi-employer pension fund.

The Salvation Army Officers Pension Fund was subject to a triennial actuarial review on 31 March 2022. This actuarial valuation indicated that the Fund was in surplus on the funding basis. As such, no additional contributions are currently required to fund a deficit in the Fund. Following this valuation, it was also agreed that regular contributions into the Fund would cease until the next valuation as at 31 March 2025.

The calculations for the FRS102 disclosures have been carried out by running full actuarial calculations as at 31 March 2025 and the disclosures are shown below

The Fund is ordinarily funded by means of regular contributions to cover current retirement benefit accrual, with the rate of contributions determined at each triennial valuation. The funding method currently employed is the Attained Age Method which measures the increase in the funding target relating to future benefits expected to accrue to active Officers over the period to retirement or earlier leaving service. Additional contributions are made to cover any shortfalls that arise following each valuation. The Board of the Fund determine the level of contributions payable to it following agreement with the principal trusts of the Army and the advice of the Fund actuary.

There have been no amendments to the Fund during the year and no dedicated events have occurred.

#### Obligations for the Salvation Army in respect of the Salvation Army Officers Pension Fund

	31/03/2025 (£'000)	31/03/2024 (£'000)
Fair Value of Fund Assets	240,454	258,768
Present value of funded obligations	(150,974)	(174,685)
Net overfunding in Fund	<u>89,480</u>	<u>84,083</u>
Unrecognised assets	<u>(89,480)</u>	<u>(84,083)</u>
Net Defined Benefit Asset	<u>-</u>	<u>-</u>

The amounts recognised in the expenditure section of the Statement of Financial Activities are as follows:

	31/03/2025 (£'000)	31/03/2024 (£'000)
Service cost	3,566	3,705
Administration expenses	245	270
Expense recognised in expenditure section of statement of financial activities	<u>3,811</u>	<u>3,975</u>

The net interest on net defined benefit liability item is broken down as follows:

	31/03/2025 (£'000)	31/03/2024 (£'000)
Interest on obligation	8,339	8,029
Interest on assets	(12,459)	(12,412)
Net Interest on net defined benefit liability	<u>(4,120)</u>	<u>(4,383)</u>

The amounts recognised as actuarial gains/(losses) are as follows:

	31/03/2025 (£'000)	31/03/2024 (£'000)
Return on assets (not included in interest)	(21,415)	(13,011)
Actuarial gains on obligation	26,502	3,441
Change in asset ceiling value	(1,276)	13,545
Total amount recognised in actuarial gains/(losses)	<u>3,811</u>	<u>3,975</u>
Actual return on fund assets	<u>(8,956)</u>	<u>(600)</u>

No contributions to the Fund were paid by the Army over the year from 1 April 2024 to 31 March 2025.

No contributions to the Fund are expected from the Army over the next year from 1 April 2025 to 31 March 2026.

Changes in the present value of the Fund's Defined Benefit Liability are as follows:

	31/03/2025 (£'000)	31/03/2024 (£'000)
Opening defined benefit liability	174,685	175,283
Service cost	3,566	3,705
Benefits paid	(9,114)	(8,891)
Interest on obligation	8,339	8,029
Actuarial (gains) on fund liabilities	(26,502)	(3,441)
Closing defined benefit liability	<u>150,974</u>	<u>174,685</u>

The weighted average duration of the liabilities of the Fund was 13 years as at 31 March 2025.

Changes in the fair value of Fund assets are as follows:

	31/03/2025 (£'000)	31/03/2024 (£'000)
Opening fair value of fund assets	258,769	268,529
Interest on assets	12,459	12,412
Return on assets (not included in interest)	(21,415)	(13,011)
Contributions by employer	-	-
Benefits paid	(9,114)	(8,891)
Administration expenses	(245)	(270)
	<u>240,454</u>	<u>258,769</u>

The major categories of fund assets as a percentage of the total are as follows:

	31/03/2025 (%)	31/03/2024 (%)
Equities	30.4	30.5
Index linked bonds	68.1	68.0
Cash	1.5	1.5

All of the Fund's assets have a quoted market price in an active market. The Fund does not hold any property or other assets used by the Army.

Principal actuarial assumptions used for the FRS 102 disclosures:

	31/03/2025 (%)	31/03/2024 (%)
Discount rate at end of year	5.8	4.9
Discount rate at start of year	4.9	4.7
Inflation	3.05	3.5
Rate of increase in allowances	3.55	4.0

#### **Mortality Assumptions**

The mortality assumptions are based on standard mortality tables which allow for future mortality improvements.

The assumptions are that an officer aged 65 will live on average until age 88 if they are male and until age 89 if female.

For an officer currently aged 55, the assumptions are that if they attain age 65 they will live on average until age 88 if they are male and until age 90 if female.

- SALVATION ARMY EMPLOYEES' PENSION FUND**

The Trust is a participating employer of the Salvation Army Employees' Pension Fund ("the Fund"), a defined benefit scheme.

A valuation of the Fund for the purposes of these disclosures was carried out at 31 March 2025 by an independent actuary. The major assumptions used by the actuary, together with those used in the previous year, were: -

	31 March 2025	31 March 2024
	% pa	% pa
Discount rate	5.8	4.9
RPI inflation rate	3.0	3.5
CPI inflation rate	2.6	3.2
Rate of increase in pensionable salaries	3.5	3.9
Rate of increase in pension payments	2.0 / 2.85	2.3 / 3.3

The major categories of the Fund's assets as a percentage of the total Fund assets, were as follows:

	31 March 2025	31 March 2024
	%	%
Gilts	76	47
Index-Linked Gilts	24	44
AVC's	-	2
Cash and Net Current Assets	-	7

The following amounts at 31 March 2025 were measured in accordance with the requirements of FRS102.

	£ million
Total market value of assets	164.45
Present value of funded obligations	(111.69)
Net overfunding in Fund	52.76
Unrecognised assets	(52.76)
Net Defined Benefit Asset	0.00

The Fund operated by the Salvation Army is a defined benefit scheme. However, the Company is not the only participating employer in the Fund and it is unable to determine its share of the underlying assets and liabilities on a consistent and reasonable basis. This is because contributions paid into the Fund have not been invested separately to those paid by other employers participating in the Fund. As such no separate fund is identifiable in respect of the Company. In order to determine a current fund for each participating employer it would be necessary to separately account for contributions, benefit payments and investment returns for each participating employer. Under the terms of the Fund, the assets and liabilities are pooled amongst the participating employers. If a participating employer were to cease to participate then that employer would be required to pay a debt to fully fund their share of the Fund's liabilities. The Company would not be liable for another employer's debt but has an option to assume responsibility under an apportionment arrangement. The Fund closed to the future accrual of pensionable service with effect from 30 April 2023 and therefore regular employer contributions ceased on this date.

Due to the change in actuary in the year, the treatment of AVC's in the fund assets and defined benefit obligations has changed from the prior year. The DC AVCs have been excluded from both the assets and defined benefit obligations in the current year whereas they were included in the prior year. The change in treatment has no impact on the overall net pension asset.

A full actuarial valuation of the Fund was carried out at 31 March 2021 by the Scheme Actuary. The valuation disclosed a past service surplus of £2.5m. An update of the funding position as at 31 March 2023 was carried out by the Scheme Actuary. This showed that the past service surplus had increased from £2.5m to a surplus of £65.5m on the 2021 valuation basis.

- **SOCIAL HOUSING PENSION SCHEME (SHPS)**

SAH participates in SHPS, a multi-employer pension scheme which provides benefits to non-associated participating employers. The scheme is classed as a defined benefit scheme in the UK. The scheme is classified as a ‘last man standing’ arrangement. Therefore, the Association is potentially liable for other participating employers’ obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme. Under the defined benefit pension accounting approach, the SHPS net deficit as at 1 April 2024 is £2,861k and £2,018k as at 31 March 2025.

**PRESENT VALUES OF DEFINED BENEFIT OBLIGATION, FAIR VALUE OF ASSETS AND DEFINED BENEFIT ASSET/(LIABILITY)**

	2025 £000	2024 £000
Fair value of plan assets	11,811	12,222
Present value of defined benefit obligation	(13,829)	(15,083)
	<u>(2,018)</u>	<u>(2,861)</u>
(Deficit) in plan	-	-
Deferred tax	-	-
	<u>(2,018)</u>	<u>(2,861)</u>
<b>Net defined benefit (liability) to be recognised</b>	<b><u>(2,018)</u></b>	<b><u>(2,861)</u></b>

**RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE DEFINED BENEFIT OBLIGATION**

	2025 £000	2024 £000
Defined benefit obligation at start of period	15,083	15,138
Expenses	15	14
Interest expense	725	726
Actuarial losses/(gains) due to scheme experience	253	(43)
Actuarial (gains) due to changes in demographic assumptions	-	(174)
Actuarial (gains) due to changes in financial assumptions	(1,657)	(35)
Benefits paid and expenses	(590)	(543)
	<u>13,829</u>	<u>15,083</u>
<b>Defined benefit obligation</b>	<b><u>13,829</u></b>	<b><u>15,083</u></b>

**RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE FAIR VALUE OF PLAN ASSETS**

	2025 £000	2024 £000
Fair value of plan assets at start of period	12,222	12,287
Interest income	601	602
Experience on plan assets (excluding amounts included in interest income) - (loss)	(1,139)	(753)
Contributions by the employer	717	629
Benefits paid and expenses	(590)	(543)
	<u>11,811</u>	<u>12,222</u>
<b>Fair value of plan assets at end of period</b>	<b><u>11,811</u></b>	<b><u>12,222</u></b>

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2025 was (£538,000) (2024: (£151,000)).

#### DEFINED BENEFIT COSTS RECOGNISED IN STATEMENT OF FINANCIAL ACTIVITIES

	2025 £000	2024 £000
Expenses	15	14
Net interest expense	124	124
<b>Total expense</b>	<b>139</b>	<b>138</b>

#### DEFINED BENEFIT COSTS RECOGNISED IN OTHER RECOGNISED GAINS AND LOSSES

	2025 £000	2024 £000
Experience on plan assets (excluding amounts included in net interest cost) - (loss)	(1,139)	(753)
Experience (losses)/gains arising on the plan liabilities	(253)	43
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain	-	174
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain	1,657	35
<b>Total amount recognised in other recognised gains/(losses)</b>	<b>265</b>	<b>(501)</b>

#### ASSETS

	2025 £000	2024 £000
Global equity	1,323	1,218
Absolute return	-	477
Distressed opportunities	-	431
Credit relative value	-	400
Alternative risk premia	-	388
Liquid alternative	2,190	-
Emerging markets debt	-	158
Risk sharing	-	715
Insurance-linked securities	36	63
Property	592	491
Infrastructure	2	1,235
Private equity	10	10
Real assets	1,414	-
Private debt	-	481
Opportunistic liquid credit	-	478
High yield	-	2
Private credit	1,446	-
Credit relative value	452	-
Investment grade credit	364	-
Cash	160	241
Long-lease property	3	79
Secured income	197	365
Liability-driven investment	3,577	4,974
Currency hedging	19	(5)
Net current assets	26	21
<b>Total assets</b>	<b>11,811</b>	<b>12,222</b>

None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

## KEY ASSUMPTIONS

	2025 % per annum	2024 % per annum
Discount rate	4.82%	4.90%
Inflation (RPI)	3.10%	3.15%
Inflation (CPI)	2.79%	2.75%
Salary growth	3.79%	3.78%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31 March 2025 imply the following life expectancies:

	Life expectancy at age 65 (Years)
Male retiring in 2025	20.5
Female retiring in 2025	23.0
Male retiring in 2045	21.8
Female retiring in 2045	24.4

## EMPLOYER PENSION CONTRIBUTIONS

	2025 £000	2024 £000
Defined benefit employer contributions including deficit contributions	717	629
Growth Plan deficit contributions	-	98
Auto-enrolment & SHPS defined contribution including deficit contribution	428	402
	<b>1,145</b>	<b>1,129</b>

The defined benefit pension costs for Salvation Army Homes were £717,000 (2024: £629,261). The pension cost is assessed in accordance with the advice of a qualified actuary using the Projected Unit Fund Method and is not materially different from that arising from the current employer's contribution rate.

## THE GROWTH PLAN

Until 2022-23, Salvation Army Homes participated in a multi-employer Growth Plan Scheme. Following the last member leaving the scheme, the plan was considered closed. In 2024-25, 90% of the due liability was repaid, amounting to £325,000. There remains a liability of 10% due to be paid.

## AUTO-ENROLMENT

As a result of the introduction of pensions 'auto-enrolment' by the Government, the cost of the new defined contribution scheme administered by SHPS was £428,000 (2024: £402,202).

## 12. SALVATION ARMY HOMES TURNOVER AND OPERATING COSTS

By virtue of the governing document of The Salvation Army Homes ('SAH'), The Salvation Army Social Work Trust has effective control of SAH.

The net assets of SAH and its subsidiaries have been consolidated within these accounts. The net assets of the SAH group were, on acquisition, adjusted to fair values.

For the purpose of establishing fair values, SAH's property portfolio was valued by an independent chartered surveyor on an existing use social housing (EUV - SH) basis.

SAH's results, adjusted to reflect The Salvation Army Social Work Trust's accounting policies, were as follows:

	2025		2024	
	£000	£000	£000	£000
Turnover		28,453		27,525
Grants received		-		-
		<u>28,453</u>		<u>27,525</u>
Operating costs				
Staff costs	(11,839)		(11,034)	
Other costs	(15,580)		(10,250)	
Interest payable	(1,091)		(1,371)	
Property depreciation	(3,493)		(3,673)	
Tax	<u>77</u>	(31,926)	<u>23</u>	(26,305)
(Loss) on disposal of assets		(1,569)		(2,173)
Gain on revaluation of investment properties		-		3,000
Interest receivable		745		105
Social Housing Pension Scheme (SHPS)				
Actuarial gain / (loss)		<u>265</u>		<u>(501)</u>
		<u>(4,032)</u>		<u>1,651</u>

\*Other Costs includes temporary agency staff costs of £1,031,000 (2024: £1,031,858).

### 13. PROPERTIES

GROUP	Freehold £000	Leasehold £000	Total £000
<b>Cost or valuation</b>			
Balance at 1 April 2024	209,119	52,440	261,559
Additions during the year	3,913	2,334	6,247
Schemes completed during the year	<u>59</u>	<u>-</u>	<u>59</u>
	213,091	54,774	267,865
Less: disposals	<u>(1,116)</u>	<u>(3,442)</u>	<u>(4,558)</u>
<b>Balance as at 31 March 2025</b>	<u>211,975</u>	<u>51,332</u>	<u>263,307</u>
<b>Accumulated depreciation</b>			
Balance at 1 April 2024	60,501	17,330	77,831
Charge for the year	4,681	701	5,382
Less: disposals	<u>(322)</u>	<u>(1,196)</u>	<u>(1,518)</u>
<b>Balance as at 31 March 2025</b>	<u>64,860</u>	<u>16,835</u>	<u>81,695</u>
<b>Net book value at 31 March 2025</b>	<u>150,295</u>	<u>31,317</u>	<u>181,612</u>
Net book value at 31 March 2024	<u>148,618</u>	<u>35,110</u>	<u>183,728</u>

Both SAH's portfolio (on 19 January 2011) and, SAH's acquisition, Chapter 1's portfolio (on 23 March 2017) were brought into account at valuation, performed by independent chartered surveyors on an existing use social housing (EUV-SH) basis. All other properties are reflected at cost.

The property disposals line above includes discontinued SAH services.

<b>PARENT</b>	<b>Freehold £000</b>	<b>Leasehold £000</b>	<b>Total £000</b>
<b>Cost or valuation</b>			
Balance at 1 April 2024	104,483	568	105,051
Schemes completed during the year	59	-	59
	<u>104,542</u>	<u>568</u>	<u>105,110</u>
Less: disposals	(427)	-	(427)
<b>Balance as at 31 March 2025</b>	<u>104,115</u>	<u>568</u>	<u>104,683</u>
<b>Accumulated depreciation</b>			
Balance at 1 April 2024	38,070	146	38,216
Charge for the year	2,156	14	2,170
Less: disposals	(238)	-	(238)
<b>Balance as at 31 March 2025</b>	<u>39,988</u>	<u>160</u>	<u>40,148</u>
<b>Net book value at 31 March 2025</b>	<u>64,127</u>	<u>408</u>	<u>64,535</u>
Net book value at 31 March 2024	<u>66,413</u>	<u>422</u>	<u>66,835</u>

All properties are used for charitable purposes. The market values of these properties are significantly higher than their book values but the costs of estimating these exceed any benefits accruing.

The Salvation Army, in common with other churches, provides ministers of religion (officers) and retired ministers of religion with accommodation and holds a portfolio of properties to allow it to do so. Occasionally properties are not required immediately to provide accommodation to officers and retired officers and these, where possible, are let on short-term tenancies until required to accommodate officers. The Salvation Army does not consider these properties to be investment properties as their availability for use, other than for the work of the charity, is typically of limited duration.

#### 14. PROPERTY SCHEMES IN PROGRESS

	<b>Group 2025 £000</b>	<b>Parent 2025 £000</b>
Balance at 1 April 2024	1,520	1,443
Additions during the year	1,024	171
	<u>2,544</u>	<u>1,614</u>
Property schemes completed during the year	(59)	(59)
Property scheme's expenditure written off	(1,404)	(1,404)
<b>Balance as at 31 March 2025</b>	<u>1,081</u>	<u>151</u>

## 15. MOTOR VEHICLES AND EQUIPMENT

GROUP	Motor Vehicles £000	Equipment £000	Total £000
<b>Cost</b>			
Balance at 1 April 2024	1,458	3,235	4,693
Additions during the year	460	278	738
Disposals	-	(2)	(2)
<b>Balance as at 31 March 2025</b>	<b>1,918</b>	<b>3,511</b>	<b>5,429</b>
<b>Accumulated depreciation</b>			
Balance as at 1 April 2024	1,370	1,882	3,252
Charge for the year	49	280	329
Less: disposals	-	(2)	(2)
<b>Balance as at 31 March 2025</b>	<b>1,419</b>	<b>2,160</b>	<b>3,579</b>
<b>Net book value at 31 March 2025</b>	<b>499</b>	<b>1,351</b>	<b>1,850</b>
Net book value at 31 March 2024	88	1,353	1,441
<b>PARENT</b>			
	Motor Vehicles £000	Equipment £000	Total £000
<b>Cost</b>			
Balance at 1 April 2024	1,415	-	1,415
Additions during the year	460	-	460
<b>Balance as at 31 March 2025</b>	<b>1,875</b>	<b>-</b>	<b>1,875</b>
<b>Accumulated depreciation</b>			
Balance as at 1 April 2024	1,327	-	1,327
Charge for the year	48	-	48
<b>Balance as at 31 March 2025</b>	<b>1,375</b>	<b>-</b>	<b>1,375</b>
<b>Net book value at 31 March 2025</b>	<b>500</b>	<b>-</b>	<b>500</b>
Net book value at 31 March 2024	88	-	88

## 16. INVESTMENTS

### FIXED ASSET INVESTMENTS

GROUP AND PARENT	Unlisted £000	Units in CIF1 £000	Units in CIF2 £000	Total £000
Cost/market value at 1 April 2024	5	4,459	143,701	148,165
Unrealised (losses) on Investments	-	(170)	(2,015)	(2,185)
<b>Cost/market value as at 31 March 2025</b>	<b>5</b>	<b>4,289</b>	<b>141,686</b>	<b>145,980</b>

At 31 March 2025, units held in The Salvation Army Common Investment Fund No 1 had a unit value of £3.2423 (2024: £3.3037).

At 31 March 2025, units held in The Salvation Army Common Investment Fund No 2 had a unit value of £4.1775 (2024: £4.2358).

Salvation Army Social Work Trust holds one £1 share and has the power to control Salvation Army Homes (SAH). The Salvation Army Homes is registered with the Co-operative and Community Benefit Societies Act 2014 and is a registered social landlord regulated by The Regulator of Social Housing. SAH itself owns the whole of the issued share capital of Kingsown Limited and SAH Developments Limited, companies incorporated in England. The results and net assets of SAH, Kingsown and SAH Developments have been consolidated within these accounts.

## INVESTMENT PROPERTIES

	Group		Parent	
	2025 £000	2024 £000	2025 £000	2024 £000
Market value at 1 April 2024	51,156	47,954	14,656	14,454
(Disposals) during the year	(36,500)	-	-	-
Property revaluation adjustment - increase in value	1,165	3,202	1,165	202
<b>Market value as at 31 March 2025</b>	<b>15,821</b>	<b>51,156</b>	<b>15,821</b>	<b>14,656</b>
Fixed assets investments (from above)	145,980	148,165	145,980	148,165
<b>Total Investments</b>	<b>161,801</b>	<b>199,321</b>	<b>161,801</b>	<b>162,821</b>

The Group's property portfolio is reviewed annually to identify investment properties, which are those properties held to earn income or for capital appreciation rather than to be used for its charitable purposes. Properties no longer used for charitable purposes but retained until market conditions allow their disposal are not treated as investment properties, provided disposal is intended within a three-year window.

After initial recognition, investment property is measured at its fair value. The fair value of the investment property is determined by members of staff with relevant experience and qualifications. For residential properties, the desktop valuation is based on comparable properties in the local area. The data is collected from property portal sites like Rightmove and Zoopla and supported by data of sold and completed properties from HM Land Registry. A valuation by an independent valuer was not performed.

## 17. DEBTORS

	Group		Parent	
	2025 £000	2024 £000	2025 £000	2024 £000
Accommodation charges outstanding	3,990	2,812	2,460	1,851
Trade debtors	1,722	10,243	1,722	10,244
Prepayments and other accrued income	10,249	11,515	9,279	10,988
Connected Salvation Army Trust and companies	13,762	58,372	13,762	58,372
Other debtors	2,177	4,372	-	3,203
	<b>31,900</b>	<b>87,314</b>	<b>27,223</b>	<b>84,658</b>

Included in Connected Salvation Army Trust and companies last year was £35m bank deposit held on behalf of Social Work Trust.

## 18. (a) CREDITORS: Amounts falling due within one year

	Group		Parent	
	2025 £000	2024 £000	2025 £000	2024 £000
Trade creditors	9,462	12,532	4,387	9,476
Accruals and deferred income	11,860	11,891	6,874	7,745
Other creditors	7,876	11,447	7,675	8,219
Tax and social security	2,475	2,135	2,462	2,045
Connected Salvation Army Trust and Companies	1,045	913	1,045	913
Amounts owed to group and associated undertakings	-	-	-	3,211
Bank loans repayable within one year (Note 18(b))	109	4,825	-	-
	<b>32,827</b>	<b>43,743</b>	<b>22,443</b>	<b>31,609</b>

\* Deferred Income

	Group 2025 £000	Parent 2025 £000
Balance at 1 April 2024	2,444	285
Additions during the year	3,160	16
	<u>5,604</u>	<u>301</u>
Released during the year	(1,769)	(285)
<b>Balance at 31 March 2025</b>	<b><u>3,835</u></b>	<b><u>16</u></b>

£3.82m deferred income relates to SAH rental income received in advance.

18. (b) CREDITORS: Amounts falling due after more than one year

	Group		Parent	
	2025 £000	2024 £000	2025 £000	2024 £000
Loans repayable between one and two years	110	1,330	-	-
Loans repayable between two to five years	328	4,255	-	-
Over five years	4,363	10,214	-	-
	<u>4,801</u>	<u>15,799</u>	<u>-</u>	<u>-</u>

Housing loans from private sources are secured by charges on SAH-specific housing properties and are repayable between 2025 and 2065 at varying rates of interest between 3.00% and 6.50% (2024: 4.10% and 7.75%). The net book value of these properties at 31 March 2025 is £4.97m (2024: £28.2m).

19. OPERATING LEASE COMMITMENTS

The Group has future minimum lease commitments under non-cancellable operating leases of:

	2025 £000	2024 £000
<b>Land and buildings:</b>		
Within one year	342	63
One to five years	213	47
Over five years	7	15
	<u>562</u>	<u>125</u>
	2025 £000	2024 £000
<b>Other operating leases:</b>		
Within one year	240	247
One to five years	450	642
Over five years	9	20
	<u>699</u>	<u>909</u>

The other operating leases category relates solely to SAH. Lease payments of £430k (2024: £369k) were charged to the Consolidated Statement of Financial Activities during the year.

## 20. OPERATING LEASE - CONTRACTED INCOME

The Group and Parent have future minimum lease income due under non-cancellable operating leases of:

	Group		Parent	
	2025 £000	2024 £000	2025 £000	2024 £000
<b>Land and buildings:</b>				
Within one year	43	55	43	55
One to five years	138	157	138	157
Over five years	216	241	216	241
	<u>397</u>	<u>453</u>	<u>397</u>	<u>453</u>

Lease income of £497k (2024: £677k) was recognised in the Consolidated Statement of Financial Activities during the year.

## 21. ENDOWMENTS

### GROUP AND PARENT

	Balance 1 April 2024 £000	New Funds Received £000	Changes in Market Value of Investments £000	Balance 31 March 2025 £000
<b>Expendable endowment</b>				
Xenia Field Capital Fund	<u>16,863</u>	<u>-</u>	<u>(235)</u>	<u>16,628</u>
<b>Permanent endowments</b>				
H.M. Brant	20	-	-	20
J.B. Crighton	156	-	(7)	149
Miss M.B. Hill	35	-	-	35
C.J. and E.J. Melbourne	79	-	-	79
Blackmore Mission	1	-	-	1
M.J. Fowler	16	-	-	16
R. Pattison	14	-	-	14
Leeds Guardian Homes Trust	16	-	(1)	15
E.S. Brant Trust	1,571	-	(60)	1,511
Birmingham Girls Trust	239	-	(9)	230
	<u>2,147</u>	<u>-</u>	<u>(77)</u>	<u>2,070</u>
	<u>19,010</u>	<u>-</u>	<u>(312)</u>	<u>18,698</u>

The Expendable Endowment represents the Xenia Field Fund. Whilst the capital and income of the Fund can be expended on social work projects, it is the Trustee's intention that the capital be maintained.

Permanent Endowment funds represent bequests and donations, the capital of which cannot be expended but any income can be applied to social work projects without restriction.

The E.S. Brant Trust was established by a trust deed dated 16 June 1965. The annual income can be applied to the social work of The Salvation Army.

The Birmingham Girls Trust consists of endowment funds transferred from Birmingham City Council, the income on which can be applied for the benefit of girls in distress in the Birmingham area.

All endowment funds are represented by investments in The Salvation Army's Common Investment Funds.

## Comparative

GROUP AND PARENT	Balance 1 April 2023 £000	New Funds Received £000	Changes in Market Value of Investments £000	Transfers £000	Balance 31 March 2024 £000
<b>Expendable endowment</b>					
Xenia Field Capital Fund	14,950	-	1,913	-	16,863
<b>Permanent endowments</b>					
H.M. Brant	20	-	-	-	20
J.B. Crighton	134	-	22	-	156
Miss M.B. Hill	35	-	-	-	35
C.J. and E.J. Melbourne	79	-	-	-	79
Blackmore Mission	1	-	-	-	1
M.J. Fowler	16	-	-	-	16
R. Pattison	14	-	-	-	14
Leeds Guardian Homes Trust	15	-	1	-	16
E.S. Brant Trust	1,354	-	217	-	1,571
Birmingham Girls Trust	207	-	32	-	239
	<u>1,875</u>	<u>-</u>	<u>272</u>	<u>-</u>	<u>2,147</u>
	<u>16,825</u>	<u>-</u>	<u>2,185</u>	<u>-</u>	<u>19,010</u>

## 22. RESTRICTED FUNDS

	Balance 1 April 2024	Income	Expenditure	Other recognised gains/(losses)	Transfers From/(to) Unrestricted Reserves	Balance 31 March 2025
	£000	£000	£000	£000	£000	£000
<b>Social Work Fund</b>	80,296	418	(3,187)	-	9,324	<b>86,851</b>
<b>Other restricted funds</b>						
Social Work Projects Including Property Funding	30,202	1,769	(2,006)	(85)	97	<b>29,978</b>
Centre specific donations	6,755	1,435	(1,507)	-	-	<b>6,683</b>
Bramwell Arthur William Goodwin	3,233	-	(165)	-	-	<b>3,068</b>
SAH operations - property purposes	130,833	27,630	(31,718)	265	5,420	<b>132,430</b>
	171,023	30,835	(35,396)	180	5,517	<b>172,159</b>
	<b>251,319</b>	<b>31,253</b>	<b>(38,583)</b>	<b>180</b>	<b>14,841</b>	<b>259,010</b>

Other Restricted Funds represents unexpended balances of donations and legacies held on trust which can only be expended in accordance with the specific terms laid down by the donors.

Social Work Fund represents sums already expended on the properties used by The Salvation Army in its social work throughout the United Kingdom.

The Centre specific donations fund represents amounts that have been donated for specific care home activities, either for single or multiyear purposes. This reserve is applied to all cost centres; some of course are more active than the others. It also manages several projects per cost centre at a time.

Bramwell Arthur William Goodwin is a legacy donation to benefit the disabled and blind within the Salvation Army Care Homes in England.

All SAH funds are treated as restricted in the group's accounts as these funds are limited to the operations of SAH rather than the wider work of the Social Work Trust. Transfers between funds arise from the sale or purchase of property or the approval of funding for property schemes in progress which are transferred between unrestricted and restricted funds.

Comparative

GROUP

	Balance 1 April 2023 £000	Income £000	Expenditure £000	Other recognised gains/(losses) £000	Transfers From/(to) Unrestricted Reserves £000	Balance 31 March 2024 £000
Social Work Fund	75,920	1,212	(4,932)	-	8,096	80,296
<b>Other restricted funds</b>						
Social Work projects including property funding	28,962	1,689	(421)	306	(334)	30,202
Centre specific donations	6,534	1,025	(546)	-	(258)	6,755
Bramwell Arthur William Goodwin	3,233	-	-	-	-	3,233
SAH operations - property purposes	129,352	25,287	(26,305)	2,499	-	130,833
	168,081	28,001	(27,272)	2,805	(592)	171,023
	<b>244,001</b>	<b>29,213</b>	<b>(32,204)</b>	<b>2,805</b>	<b>7,504</b>	<b>251,319</b>

## 23. UNRESTRICTED FUNDS

### GROUP AND PARENT

	Balance 1 April 2024	Income	Expenditure	Other recognised gains/(losses)	Transfers From/(to) Unrestricted Reserves	Balance 31 March 2025
	£000	£000	£000	£000	£000	£000
General reserves	20,731	207,715	(195,125)	-	(10,882)	22,439
Unrealised investment gains	100,169	-	-	(623)	(1,118)	98,428
	120,900	207,715	(195,125)	(623)	(12,000)	120,867
Designated reserves						
Property purposes	47,227	755	(1,327)	-	(1,495)	45,160
Vehicles	1,497	4	-	-	(1,346)	155
Social Work projects	3,067	-	-	-	-	3,067
	51,791	759	(1,327)	-	(2,841)	48,382
	<b>172,691</b>	<b>208,474</b>	<b>(196,452)</b>	<b>(623)</b>	<b>(14,841)</b>	<b>169,249</b>

The General Reserve is required to fund the day-to-day needs of The Salvation Army Social Work Trust. The Unrealised Investment Gains Reserve is held to separate unrecognised gains still subject to market risk.

Unrestricted Funds include designated reserves which have been set aside by the Trustee for specific purposes. Designated funds are kept under review by SATCO to ensure their purpose remains in the medium term.

- Property purposes: the reserve includes Property Sold Reserve where money is set aside to spend on future property projects determined by the directors, and the Major Component Replacements Reserve which holds funds required for upcoming major spends.
- Vehicles: the reserve holds the value of vehicles to acknowledge the future spend required to maintain the fleet. These funds are currently being reviewed.
- Social Work projects: these reserves hold funds required for specific programmes and initiatives directed by the board. Historically these funds are not utilised on an annual basis and the use is currently being reviewed.

Comparative

GROUP AND PARENT

	Balance 1 April 2023 £000	Income £000	Expenditure £000	Other recognised gains/(losses) £000	Transfers from/(to) Restricted Reserves £000	Balance 31 March 2024 £000
General reserves	15,489	210,550	(199,359)	-	(5,949)	20,731
Unrealised investment gains	85,493	-	-	14,676	-	100,169
	100,982	210,550	(199,359)	14,676	(5,949)	120,900
Designated reserves						
Property purposes	48,593	197	(8)	-	(1,555)	47,227
Vehicles	1,497	-	-	-	-	1,497
Social work projects	3,067	-	-	-	-	3,067
	53,157	197	(8)	-	(1,555)	51,791
	<b>154,139</b>	<b>210,747</b>	<b>(199,367)</b>	<b>14,676</b>	<b>(7,504)</b>	<b>172,691</b>

## 24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund Balances as at 31 March 2025 are represented by:

GROUP	Endowment Funds £000	Social Work Fund £000	Other Restricted Reserves £000	Unrestricted Reserves £000	Total £000
<b>Fixed assets</b>					
Properties	-	64,535	117,077	-	181,612
Property schemes in progress	-	151	930	-	1,081
Motor vehicles and equipment	-	-	1,350	500	1,850
Investments	18,698	-	-	143,103	161,801
<b>Current assets</b>	-	21,940	70,005	48,314	140,259
<b>Current liabilities</b>	-	225	(10,384)	(22,668)	(32,827)
Long-term bank loans	-	-	(4,801)	-	(4,801)
Defined benefit pension liabilities	-	-	(2,018)	-	(2,018)
<b>Total net assets</b>	<b>18,698</b>	<b>86,851</b>	<b>172,159</b>	<b>169,249</b>	<b>446,957</b>

Fund Balances at 31 March 2024 are represented by:

GROUP	Endowment Funds £000	Social Work Fund £000	Other Restricted Funds £000	Un- restricted Reserves £000	Total £000
<b>Fixed assets</b>					
Properties	-	66,835	116,893	-	183,728
Property schemes in progress	-	1,443	77	-	1,520
Motor vehicles and equipment	-	-	1,353	88	1,441
Investments	19,010	-	36,500	143,811	199,321
<b>Current assets</b>	-	12,322	46,994	60,097	119,413
<b>Current liabilities</b>	-	(304)	(12,134)	(31,305)	(43,743)
Long-term bank loans	-	-	(15,799)	-	(15,799)
Defined benefit pension liabilities	-	-	(2,861)	-	(2,861)
<b>Total net assets</b>	<b>19,010</b>	<b>80,296</b>	<b>171,023</b>	<b>172,691</b>	<b>443,020</b>

**25. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH INFLOW/ (OUTFLOW) FROM OPERATING ACTIVITIES**

	2025 £000	2024 £000
Net movement in funds	3,937	28,055
Unrealised loss/(gain) on investments	1,020	(20,130)
Realised (gain)/loss on disposal of properties	1,128	1,098
Depreciation of motor vehicles and equipment	329	275
Depreciation of properties	5,382	5,579
Investment and rental income	(4,650)	(3,431)
(Increase)/decrease in stocks	(5)	2
Decrease/(increase) in debtors	55,414	(58,968)
Property schemes in progress written off	1,404	4,761
Increase in creditors	(6,200)	8,707
(Decrease)/increase in defined benefit pension scheme liability	(843)	10
Interest payable	1,091	1,371
<b>Net inflow/(outflow) from operating activities</b>	<b>58,007</b>	<b>(32,671)</b>

**26. CAPITAL COMMITMENTS**

At the balance sheet date, commitments in relation to the construction or refurbishment of property amounted to £2.5m (2024: £3.4m). Of this amount £2.5m related to SAH (2024: £2.1m).

**27. RELATED PARTY TRANSACTIONS**

The Salvation Army Trust (registration number 214779) is a linked charity of the Social Work Trust by nature of the sole trustee in common, both trusts together representing the work of The Salvation Army across the UK.

During the current year, grants totalling £26.3m (2024: £29.7m) were received from The Salvation Army Trust. An overhead recharge of £11.8m (2024: £10.8m) was charged from The Salvation Army Trust during the year, representing the Social Work Trust's share of central overhead costs which were incurred by The Salvation Army Trust. The full amount of the overhead recharge of, £11.8m (2024: £10.8m) was outstanding at year end. In addition, recharges of £76k (2024: £105k) were charged to The Salvation Army Social Work Trust for hire of rooms at corps premises.

The Salvation Army General Insurance Corporation Ltd (SAGIC) (registered no 101071) a subsidiary of connected party the Salvation Army Trust, provided insurance services of £1.2m (2024: £1.1m) to the Social Work Trust. Similarly connected SAT subsidiary SATCoL (Salvation Army Trading Company - registered no 02605817) provided publications and periodicals to the value of £37K (2024: £43K).

The Salvation Army Social Work Trust holds one £1 share and has the power to control The Salvation Army Homes (SAH). The Salvation Army Homes is registered with the Co-operative and Community Benefit Societies Act 2014 and is a registered social landlord regulated by The Regulator of Social Housing. SAH itself owns the whole of the issued share capital of Kingsown Limited and SAH Developments Limited, companies incorporated in England. The results and net assets of SAH, Kingsown and SAH Developments have been consolidated within these accounts. The following costs have been charged to the Social Work Trust during the year; Bed spaces recharged from SAH to the Social Work Trust during the current year totalling £7.8m (2024: £7.4m); 5% margin arose from the bed space recharged totalling £391k (2024: £342k); Other costs incurred on behalf of Social Work Trust £387k (2024: £508k); out of these £305k (2024: £1.4m) is outstanding at year end.

The Salvation Army Homes received a loan of £565K from the Salvation Army Trust, a connected party.

SAH took out a loan of £315,000 with Reliance Bank Limited in the financial year ended 31 March 2011, and £2,200,000 in the financial year ended 31 March 2014, and a further loan of £150,000 in the financial year ended 31 March 2015- a wholly owned bank by The Salvation Army International Trustee Company (SAITCo).

The Association made the following payments during the year to Reliance Bank Limited:

Capital repayments	£109,000
Interest payments	£98,000

The total outstanding balance of the loan as at 31 March 2025 was £1,385,000 (2024: £1,494,774). The long-term loan was granted to the Association on normal commercial terms, including Salvation Army Homes providing appropriate security to satisfy the conditions of the loan.

During the year, SAH paid £426,000 (2024: £302,123) for the property and liability insurance to SAGIC Limited, Social Work Trust paid £1.2m (2024: £1m) for the insurance to SAGIC Limited. SAGIC Limited is a company wholly owned by The Salvation Army Trust.

In addition to the entities listed above, transactions occurred during the year with individuals who are Key Management Personnel, or their families. These transactions are described in Note 10 to the financial statements.

## **28. CONTINGENT LIABILITY**

Salvation Army Homes is the leaseholder for several properties where the Social Work Trust are the freeholder. In the event of a lease surrender, a contingent liability would occur for repayment of grant to Homes England or the Greater London Authority. A Lease Surrender Agreement between both parties ensures that in this event, an offsetting contingent asset would exist.

## **29. SUBSEQUENT EVENTS**

Subsequent to the year end, the Trustees have decided to reimagine the support we provide to older people. This will entail withdrawing from residential care homes and instead developing a range of support services within local communities, particularly in those areas where a Salvation Army church is present. Services, as appropriate for individual communities, such as Parish Nursing, Dementia Support groups and specialist programmes for additionally disadvantaged older people such as those who are socially isolated due to location or access needs or those who are digitally excluded. Where possible the current residential homes will be sold to other providers as a “going concern” so that the care of individuals is uninterrupted.

### 30. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITY FOR THE YEAR ENDED 31 MARCH 2024

	ENDOWMENT £000	RESTRICTED £000	UNRESTRICTED £000	2024 Total £000
<b>INCOME AND ENDOWMENTS</b>				
<b>Donations and legacies</b>				
Grants receivable: Central Trust	-	-	29,698	29,698
Donations	-	796	623	1,419
Legacies	-	1,358	-	1,358
	<u>-</u>	<u>2,154</u>	<u>30,321</u>	<u>32,475</u>
<b>Charitable activities</b>				
Centres' operations	-	281	90,470	90,751
Other social operations	-	91	86,785	86,876
Housing association turnover	-	27,525	-	27,525
	<u>-</u>	<u>27,897</u>	<u>177,255</u>	<u>205,152</u>
<b>Investments</b>	-	260	3,171	3,431
<b>(Losses) on disposal of fixed assets</b>	-	(1,098)	-	(1,098)
<b>TOTAL INCOME</b>	<u>-</u>	<u>29,213</u>	<u>210,747</u>	<u>239,960</u>
<b>EXPENDITURE</b>				
<b>Raising funds</b>				
Investment management costs	-	-	50	50
	<u>-</u>	<u>-</u>	<u>50</u>	<u>50</u>
<b>Charitable activities</b>				
Centres' operations	-	5,723	108,665	114,388
Other social operations	-	176	90,652	90,828
Housing association operating costs	-	26,305	-	26,305
	<u>-</u>	<u>32,204</u>	<u>199,317</u>	<u>231,521</u>
<b>TOTAL EXPENDITURE</b>	<u>-</u>	<u>32,204</u>	<u>199,367</u>	<u>231,571</u>
<b>Net gains on investments</b>	<u>2,185</u>	<u>3,306</u>	<u>14,676</u>	<u>20,167</u>
<b>Net income</b>	<u>2,185</u>	<u>315</u>	<u>26,056</u>	<u>28,556</u>
Transfers between funds	-	7,504	(7,504)	-
Actuarial (losses) on defined benefit pension schemes	-	(501)	-	(501)
<b>Net movement in funds</b>	<u>2,185</u>	<u>7,318</u>	<u>18,552</u>	<u>28,055</u>
<b>RECONCILIATION OF FUNDS</b>				
Total funds brought forward	16,825	244,001	154,139	414,965
<b>Total funds carried forward</b>	<u>19,010</u>	<u>251,319</u>	<u>172,691</u>	<u>443,020</u>