

Society of St James

Report and Financial Statements

Year Ended

31 March 2025

Company Number: 03009700

Charity Number: 1043664



Society of St James

Annual report and financial statements for the year ended 31 March 2025

Contents

Page:

1	Reference and administrative information
2-15	Report of the Board of Trustees incorporating a Strategic Report
16-19	Report of the independent auditors
20	Statement of Comprehensive Income
21	Statement of Changes in Reserves
22	Statement of Financial Position
23	Cash Flow Statement
24-41	Notes forming part of the financial statements

Society of St James

Reference and administrative information for the year ended 31 March 2025

Trustees and Directors:	S Butterfill		(appointed 15 October 2015)
	P Hillary	(Chair until)	(appointed 27 October 2016) (resigned 7 April 2025)
	G Marshall	(Treasurer)	(appointed 12 October 2017)
	A Holdup		(appointed 1 September 2020)
	A Davis	(Chair from 6 April 2025)	(appointed 5 October 2021)
	J Ash		(appointed 5 April 2022)
	A Chaudry		(appointed 6 September 2022)
	A M Powell		(appointed 2 April 2024)
	D Watson		(appointed 2 April 2024)
	S Morgan		(appointed 2 April 2024)
Company Secretary:	T Pickup	(until 2 July 2024)	
	T Marsh	(from 2 July 2024)	
Senior Staff	T Pickup	(Chief Executive, retired 17 May 2024)	
	T Marsh	(Chief Executive, appointed 24 June 2024)	
	A R Powell	(Director of Finance and Central Services)	
	M Taylor	(Operations Director)	
	T Keall	(Operations Director)	
	N Wilsenham	(Operations Director)	
	G Nesbitt	(Director of Asset Management)	
Registered Office:	125 Albert Road South Southampton SO14 3FR		
Registered Company Number:	03009700		
Regulator of Social Housing Registration Number:	LH4337		
Registered Charity Number:	1043664		
Auditors:	S&W Partners Audit Limited Cumberland House 15 – 17 Cumberland Place Southampton SO15 2BG		
Solicitors:	Blake Morgan New Kings Court Tollgate Chandler's Ford Hampshire SO53 3LG		
Bankers:	NatWest 68 Above Bar Street Southampton SO14 7DS		

Society of St James

Report of the Board of Trustees incorporating a Strategic Report for the year ended 31 March 2025

Introduction

The Board of Trustees presents its report and financial statements for the year ended 31 March 2025. All Trustees are directors of the Charitable Company for the purposes of company law.

Structure, Governance and Management

The Society of St James (SSJ/ the Society) is a charitable company limited by guarantee and is registered with the Regulator of Social Housing (RSH) (number LH4337). The liability of the members is limited to their guarantee. In the event of SSJ being wound up during the period of the membership (or within the year following), members undertake to contribute such amounts as may be required, but not exceeding £10.

SSJ is governed by the Board of Trustees, which meets at least quarterly. The Board has created four Committees to take specific interest in the areas of Personnel, Audit and Finance, Asset Management and Operations, who also meet at least quarterly. A Development Panel is also convened as required to provide a mechanism for Board supervision of new major projects as they arise. In line with good practice, SSJ also convenes a Directors' Remuneration Committee annually to appraise performance and set the Senior Management Team's salaries. SSJ's policy is for these salaries to be broadly in line with median rates of pay for comparable posts as informed by independent specialists. Meetings are held both in person and virtually.

During the year SSJ has helped our Service User and Resident's Association (SURA) develop and move towards the aim of ensuring Service Users have an independent body through which to influence SSJ's decision making.

As a Registered Provider (Housing Association) SSJ is required to meet the Standards set by the RSH, as its key regulator.

In June 2024 the Board reviewed its own performance and the performance of the committees of the Board. It also reviewed the effectiveness of the current committee structure and systems in place to ensure that they provided effective governance arrangements for SSJ. The Chair of the Board also undertook appraisals with each of the Board members. The Board regularly reviews the key risks facing SSJ and mechanisms to ensure that they are addressed within Board meetings and reports to the Board. The Board confirms that they comply with the Regulator of Social Housing governance and financial viability standard.

SSJ seeks to recruit one or two new Board members each year. The recruitment and induction process includes a tour around some of SSJ's projects and an introduction to SSJ's work. Potential new Board members also attend a Board Meeting as observers before appointment to the Board. All Board members serve in a voluntary capacity; it is not the policy of SSJ to remunerate Board members.

The Chief Executive reports to the Board, the senior staff report to the Chief Executive and the rest of the staff in turn report to the senior staff.

The Trustees have given due consideration to Charity Commission guidance on public benefit when reviewing objects and activities. Trustees are also mindful of the duties of Trustees under charity law and have reviewed Charity Commission guidance and the Charities Governance Code checklist for larger charities in parallel with the RSH guidelines to ensure good governance practice.

SSJ has adopted the National Housing Federation Code of Governance and is continuing to work towards compliance with the 2020 edition. SSJ has made further progress this year towards achieving compliance with the Resident Engagement requirements; Service User Engagement Lead has organised numerous engagement and consultation events through our Service User & Residents Association (SURA). In order to work within the spirit of the code and to follow good practice, the model of co-production is being followed as this area of work advances.

Society of St James

Report of the Board of Trustees incorporating a Strategic Report for the year ended 31 March 2025

Structure, Governance and Management (continued)

The code requires a declaration of any areas of non-compliance. These are:

- 1) Resident engagement – SSJ continues work to develop effective systems and processes in this area to make them fully compliant with the requirements of the code.
- 2) Six-year maximum length of tenure on the Board – The code of governance provides flexibility to allow a Board member to stay on the board for up to 9 years if the organisation feels there is good reason to do so. SSJ's board has decided that, in line with Charity Commission guidance, a tenure of up to 9 years is preferable for the organisation.

Objectives and Activities

The Objectives of SSJ are:

"The relief of poverty, sickness, hardship and distress in particular but not exclusively of persons who are homeless, unemployed or who have drug, alcohol or other substance addictions by the provision of housing, rehabilitation, care, support, education, training and employment opportunities: in order to improve the individuals' opportunities and quality of life and to contribute to the wider community".

SSJ seeks to achieve this through a range of activities, which can be broken down between the following headings:

- Housing;
- Support;
- Care;
- Substance Misuse Services; and
- Social Enterprise.

SSJ agreed a 10-year strategy in the spring of 2019, to provide a long-term direction for its work which was reviewed in 2023-24. Further detail was provided in a 3-year Business Plan. The plan outlines how we will achieve our 5 overarching outcomes of:

- Outcome 1: Meeting the needs of homeless and vulnerable adults across our region
- Outcome 2: Providing safe accommodation and services that meet the needs of current and futures residents and service users
- Outcome 3: Being the provider of choice for contracted services for vulnerable individuals across Hampshire
- Outcome 4: Building the capacity and infrastructure to support actual and planned growth each year
- Outcome 5: Working towards being a carbon neutral organisation.

Housing

SSJ provides a range of housing to homeless people in Southampton, Portsmouth and elsewhere in Hampshire, including hostels, shared housing, one-bedroom flats and registered residential care homes. SSJ also manages accommodation for homeless families in Southampton and Rushmoor.

SSJ has continued to increase its stock of owned units through its ongoing acquisition and development programme. A new leased unit was taken on as part of a partnership with the Southampton Quaker Meeting where SSJ agreed to take over the management of the Meeting House and attached cottage. The numbers of bed spaces managed by SSJ are shown below:

Bed spaces/units	2023	2024	2025
Owned	280	306	321
Managed or leased	240	219	220
Total	520	525	541

Society of St James

Report of the Board of Trustees incorporating a Strategic Report for the year ended 31 March 2025

Objectives and Activities (continued)

Housing (continued)

For its owned property SSJ fulfils a full range of property maintenance obligations, from day-to-day repairs to managing a long-term repairs and maintenance programme. As a Registered Provider SSJ offers tenancy or licence agreements, collects rents and generally fulfils the role of landlord.

For leased or managed projects, SSJ fulfils some of these functions, depending upon the form of agreement with the property owner. These often include maintenance obligations, offering tenancy and licence agreements, and the collection of rent.

Support

SSJ seeks to provide support beyond the services normally provided by a landlord to those living in its accommodation. This activity is largely funded through contracts from Local Authorities, under which SSJ received £3.356 million (2024 £3.247 million) during the year, enabling the employment of support staff in most residential projects. This increased as SSJ was successful in winning a number of contracts from local authorities and other statutory funders over the year. The support provided enables people previously homeless, with mental health issues and with substance misuse problems to maintain their housing and to develop skills to live independently in the community. SSJ is also supporting nine residents in Aldershot in a homelessness hostel with Housing Related Support being funded by the Local Authority

The provision of Housing Related Support remains a major element of SSJ's work, delivering services under contractual arrangements and being subject to a wide range of inspection, regulation and monitoring. In addition, as existing contracts expire, services are put out to competitive tender, so that a range of organisations have the opportunity to competitively bid to provide the service. These contractual arrangements are a crucial factor in forming a picture of the environment in which SSJ operates.

Care

Through St James Care, SSJ operates two registered care homes to create a specialist care service for people with backgrounds of homelessness, substance misuse and mental health issues. This provides an appropriate environment for older residents who can no longer stay in their existing accommodation because of their increasing care needs.

Substance Misuse Services

SSJ provides a number of non-residential services for people with substance misuse issues. These services are provided in Portsmouth and elsewhere in Hampshire. Each area has a different structure for substance misuse services and SSJ provides a different service in each area.

These services work with over 1,000 people at any one time, providing a range of interventions to people with issues with alcohol and drugs. Each project is commissioned through competitive tendering and performance is carefully monitored by the commissioning body, the relevant local authority.

Employment and Training Opportunities

SSJ manages Jamie's Computers which operates as a Social Enterprise. The aim of Jamie's is to generate income for SSJ and to create training and learning opportunities as well as work placements for vulnerable adults in the city of Southampton.

The Café in the Park is also a Social Enterprise, providing employment and volunteering opportunities in Portsmouth, as well as good quality food.

Society of St James

Report of the Board of Trustees incorporating a Strategic Report for the year ended 31 March 2025

Objectives and Activities (continued)

Meaningful Activity

SSJ was awarded new lottery funding which has enabled the development of the SSJ Academy which formally launched in April 2025, marking a more strategic approach to delivering a cross-SSJ timetable of activities that our residents and clients need, alongside the more therapeutic support we offer through our contracted work. The SSJ Academy builds and expands on work previously undertaken by our lottery funded sports activity programmes as well as developing new services. The Academy consists of Meaningful Activities (Re-Fit), Education Pathways (Re-Set) and Volunteering (Re-Connect)

In addition, we deliver Pathways, a volunteering service to match stable service users with volunteering opportunities within SSJ and in the community (including our Café and Jamie's). This is funded by the Office of the Police and Crime Commissioner.

Strategic Report - Achievements and performance

SSJ had a successful year with an annual turnover of £17.9 million and an operating surplus of £613k. This represents 8.5% growth in turnover on the previous year. The results were also improved by a number of factors, including additional funding received from local and central government as further work was commissioned by local authorities.

Housing development

SSJ is committed to reducing rough sleeping and homelessness for vulnerable adults by developing new housing. As a housing association, SSJ can access grants from Homes England and match these with borrowings to enable the purchase and refurbishment of property. During the year SSJ purchased 2 properties to provide move-on opportunities for 12 residents utilising these funding sources.

In addition to the above the Department for Levelling Up, Housing and Communities provided a grant to SSJ through the local authority to acquire and develop 15 properties for Afghan and Ukrainian refugee families. By 31 March 2024 SSJ had acquired 12 of these properties, the purchases of the remaining 3 properties were completed in April & May 2025.

SSJ Quality Assurance Framework

During 2024/25 SSJ reviewed the SSJ Quality Assurance Framework and made a number of improvements. The audit continues to cover 8 themes containing a total of 55 standards. This process resulted in both service level improvement plans that will be overseen at Operational Director level and a 'whole organisation' improvement plan that will address cross-cutting themes and be overseen by the Chief Executive reporting to the Operations Committee.

Fundraising

This year, fundraising has taken a more strategic position within the charity, with a sharpened focus on increasing unrestricted income. This vital shift enables us to more effectively fund initiatives that directly address and ultimately end homelessness in the areas where we operate, allowing for greater responsiveness to immediate needs. To bolster this strategic direction, we welcomed a new fundraising post in July 2024. Our fundraising efforts continue to benefit significantly from a proportion of the business development manager's time and the dedicated work of a full-time fundraising officer. We are profoundly grateful for the crucial funding received from **The National Lottery Community Fund, Portsmouth City Council, JD Foundation, Kingfisher, Change Grow Live, Office of the Police and Crime Commissioner, Richard Kirkman Trust, and Southern Co-op** amongst others.

Society of St James

Report of the Board of Trustees incorporating a Strategic Report for the year ended 31 March 2025

Objectives and Activities (continued)

Fundraising (continued)

During the year we were very grateful to receive donations of £100,000 from an anonymous donor, £10,836 from a Touch of Magic, £10,000 from Ahmed Tea and £5,000 from B&Q.

Furthermore, we extend our sincere appreciation to our numerous corporate supporters this year, including **Tandem Electricals, Wessex Cleaning Services, Currie and Brown, Grainger plc, B&Q, Kingfisher plc, Lead Forensics, and NHS Shared Business Services**. Their commitment was also evident through the invaluable contribution of 48 corporate volunteers, who collectively provided 235 volunteer hours to support the refurbishment and cleaning of our properties so that we can continue to meet the high-quality standards we set ourselves for the condition of our homes.

Our Christmas appeal was hugely successful and we are grateful to the staff, service users and our partners for their input. We are also thankful to the local press for their backing and their inclusion of our appeal and work in their articles as we approached the holiday period. We were delighted to have our work highlighted by Meridian News with a strongly supportive article that aired three times on Christmas Eve. Sincere thanks go to our service users for their involvement and their inspiring stories. Finally, we are immensely thankful to our local community, both individuals and community groups, for their continued support in our mission to end homelessness.

Staff

SSJ is dependent on the commitment of our staff to meet the challenging and demanding needs of our environment and client base. The Trustees applaud our staff for all that they have achieved in these particularly difficult circumstances and would like to record their formal thanks and appreciation for their efforts. The trustees were pleased to note the broadly positive feedback from staff about their work at SSJ at their conference held during this year. Given the stresses inherent in the nature of this work we particularly welcome the various suggestions around further enhancing staff support and wellbeing to be taken forward by a staff working group in the coming year.

We have a diverse workforce, with an average of 319 FTE staff (318 in 2024) being employed over the last 12 months. We seek to be an Excellent Employer. We are currently, and aim to continue to be, a "National Living Wage" employer and have been paying staff at least these rates for the last six years.

SSJ also relies on volunteers in our projects and services, and we are grateful for the contribution they have made.

Strategic Report - *Plans for the Future*

There are significant areas of unmet need within the areas of expertise in which SSJ operates. In order to meet the charitable objectives of SSJ, it will need to continue to fulfil its existing role and to develop new services.

SSJ will continue to deliver Housing, Support, Care, Treatment and Training to vulnerable adults in Hampshire and surrounding areas. SSJ may also develop its work into new geographic areas and into new types of services, in order to meet the needs of our existing and potential new service users and/or the requirements of new local authority tenders. This will include bidding for new work through the tendering process. SSJ will also continue to work on specific proposals with local commissioners and seeking philanthropic funding for projects or areas of work.

The Board have agreed a number of priorities for the coming year. These include:

Society of St James

Report of the Board of Trustees incorporating a Strategic Report for the year ended 31 March 2025

Strategic Report - Plans for the Future (continued)

Property acquisition programme

Subject to available funding, SSJ will continue to prioritise the development of new property to help reduce homelessness and increase opportunities for our existing service users. By increasing our stock of move-on housing, SSJ can move more residents out of hostels, and therefore create spaces for more people to move from rough sleeping into accommodation. The Government has committed to building more homes and SSJ will continue to engage with funding available from government sources to develop its portfolio of housing.

SSJ has agreed the purchase of 49 units of accommodation from Hyde Housing Association. These are properties that SSJ already leases from or manages for Hyde but the purchase of these properties secures their availability for SSJ's residents into the future (see note 26).

Support

SSJ will continue to work with local authority partners to explore new opportunities within Southampton, Portsmouth and elsewhere in Hampshire, to meet the needs of homeless people, other vulnerable adults and specific priority groups within our target beneficiaries e.g., LGBTQ+, Veterans etc. As part of our commitment to be a trauma-informed organisation, SSJ will continue to train new in-house Reflective Practitioners to ensure that all frontline staff and all managers have regular access to the benefits of Reflective Practice. SSJ will also continue to audit services against our Quality Framework, to improve standards and outcomes. This will include an organisational scorecard, setting of key performance indicators and quarterly review of progress against targets for continuous improvement.

Fundraising

Our Business Development and Fundraising department is a shining example of dedication, with a focus on generating, securing, and managing the essential funding and support needed to end homelessness across Hampshire. In the coming year, our strategic focus will be on securing additional unrestricted funding from a diverse range of sources, including community engagement, individual giving, regular donations, and legacies. We will continue to build strong corporate partnerships and approach grant funders for core funding. Furthermore, SSJ will leverage our internal bid management capability to re-tender and bid for local contracts that directly support our mission. This vital funding provides the resources needed for core services like the Academy, welfare support, and essential property refurbishments, as well as the resources to innovate and meet local and changing needs. SSJ are not just raising money; we are fostering a strong community of support, inviting individuals and organisations to become true partners in our mission to create lasting, tangible change.

Our ambitious plans for 2025/26 are fuelling a renewed approach, invigorated by our Chief Executive and a dedicated team. SSJ are re-establishing our presence and engagement with the community to meet our supporters, sharing stories of lives transformed by their generosity, and inviting new individuals and organisations to join our mission. Our innovative strategies include a new Christmas Campaign with a target income of £80,000, enhanced engagement through activity-based fundraising, and a complete revolution of our online presence. We're launching a new digital marketing strategy that leverages social media platforms and prioritises SEO to expand our reach, connect with a wider audience and deliver strong, well-considered supporter journeys. To build a robust and sustainable future, we're cautiously exploring AI capabilities for personalised communication and will invest in approaches to increase regular giving and legacy commitments. Through our new fundraising strategy, we are fostering a culture where every staff member is an ambassador, maximising every opportunity and upholding the highest ethical standards to ensure our supporters know their generosity directly transforms lives.

Society of St James

Report of the Board of Trustees incorporating a Strategic Report for the year ended 31 March 2025

Strategic Report - *Plans for the Future (continued)*

Strategy development

The homelessness and housing landscape continue to be challenging. There is an ever-increasing number of rough sleepers and a record number of people currently placed in temporary accommodation and uncertainty remains in longer term funding and local authority direction in terms of reorganisation and strategy. However, the new

Government is committed to building more housing, including affordable housing, and further committed to ending rough sleeping. The limited increase in contract uplifts to cover yearly pay increases, and most notably this year

the significant rise in employee National Insurance contributions and minimum/national living wage, have proved a significant challenge. SSJ's strategic planning for this year will take into account a continuing level of uncertainty.

In reviewing the current strategy, SSJ will focus on three key areas of priority:

- Ending homelessness across Hampshire
- People and Culture
- Ensuring a financially secure future

SSJ will take a 'place-based' approach to our work and seek to influence local policy on homelessness and increase involvement from our local community. We will continue to invest in our staff team, wellbeing, training and benefits of working for SSJ and we will focus our fundraising efforts towards regular giving.

Strategic Report - *Principal Risks and Uncertainties*

SSJ faces a wide range of risks and uncertainties, many of which are collated annually in SSJ's Business Risk Management Plan. The principal risks identified are as follows:

Cash flow problem impacting on ability to meet immediate obligations to suppliers or lenders

SSJ's financial and treasury policies ensure that a financial buffer is in place to meet unexpected delays in receipt of contract payments from local authorities or unplanned expenditure. It maintains good contact with the relevant local authority departments to ensure that purchase orders are raised in a timely manner and contract variations are processed and diarised. SSJ is confident that its long-term banking relationships would enable temporary overdraft facilities to be arranged if required.

Loss of contracts due to change of priorities or financial pressures within Local Authorities and the Government

The risk of commissioners ending contracts and not replacing the service with any other provision has been amplified by the planned overhaul of Unitary Authorities in Hampshire. This is a significant financial risk to the Society, with potential redundancy costs to be managed, and possible ongoing commitments for leased buildings. The risk can be mitigated by having good liaison with the commissioners and by the ability to redeploy staff into other services, which may be possible on occasion.

Having or taking contracts without protection against inflationary risks

SSJ has committed to provide services to commissioners at a fixed price over a number of years. Where costs increase over the period of the contracts in excess of SSJ's inflationary expectations, it may have to consider whether continuation of these contracts is affordable and whether to bring these contracts to an end at the earliest possible termination date. SSJ maintains good working relationships with local commissioners and has to date been able to highlight financial pressures and obtain additional funding.

Society of St James

Report of the Board of Trustees incorporating a Strategic Report for the year ended 31 March 2025

Strategic Report - Principal Risks and Uncertainties (continued)

Changes to Housing Benefit regime may make our intensive housing management services unsustainable

The Government is consulting on the proposed Supported Housing Regulatory Oversight Act which could potentially have a financial impact on SSJ delivering supported housing. SSJ has completed a response to the consultation and joined colleagues across the sector to raise key concerns and alternative proposals. SSJ will also consider a different approach to supported housing delivery and consideration is being given to alternative funding streams.

Failure of compliance – non-SSJ owned properties

Around 45% of the property stock is leased from other landlords. Within the lease terms it is the landlord's responsibility to conduct cyclical servicing such as gas and electrical safety checks. SSJ does not have control of these responsibilities and so there is a risk they could be missed. To mitigate this risk the Property Department have set reminders ahead of any servicing expiry under lease to inform the landlord of the requirement and then set reminders to chase until carried out and certified. SSJ will agree a formal escalation procedure to be used if these owners do not comply with their legislative obligations.

Failure to comply with the Decent Homes Standard specifically regarding the occurrence of mould in our properties. Risk of claims against us or people getting ill

The Decent Homes Standard outlines the minimum standards of property provided by Social Housing Landlords. Properties should be free from the 29 classified health and safety hazards including damp and mould, fire risks etc. To mitigate the risk of failing to meeting the standard, SSJ conducts property condition surveys which build informed annual planned works programmes and trigger responsive repairs where necessary to address any immediate risk to residents. This is also supplemented by working with the Housing and Supported Teams and providing clear lines of communication for residents to report property related issues.

Strategic Report - Fundraising practices

Fundraising Practices

SSJ is dedicated to ethical and transparent fundraising, building lasting trust with donors while supporting our mission to help people end homelessness. We adhere strictly to all relevant legal and regulatory requirements, including the Charity Commission and the Fundraising Regulator's standards.

Core principles

- Ethical practices: All fundraising activities are conducted legally and ethically, treating donors with courtesy, dignity, and understanding. We are open about our methods and how donations are used.
- Responsible use of funds: We commit to using donations efficiently to maximise their impact on beneficiaries.
- Donor privacy: Donor privacy is paramount; we never share personal information without consent and maintain strict data security protocols.
- No pressure tactics: We train our team to recognise signs of vulnerability and never pressure individuals to donate. We avoid misleading communications.
- Beneficiary representation: Our communications always respectfully portray beneficiaries in the way they wish to be seen, ensuring consent for personal information use.
- Accountability: We are accountable for our fundraising practices, welcoming feedback and promptly addressing any complaints.

Key practices and procedures

We utilise various fundraising methods, including individual giving, events, grants, corporate partnerships, and legacy giving. All activities require approval from the Business Development & Fundraising Manager (BDFM) and must clearly state how funds benefit SSJ beneficiaries.

Society of St James

Report of the Board of Trustees incorporating a Strategic Report for the year ended 31 March 2025

Strategic Report - Fundraising practices (continued)

Key practices and procedures (continued)

- Staff solicitation: Staff soliciting donations must clearly identify themselves, state SSJ's mission, explain how donations are used, and inform potential donors that annual reports are available upon request.
- Donor relations and due diligence: We respect donor intent for restricted funds and conduct due diligence for all donations, particularly those over £1,000, to ensure alignment with our mission and mitigate risks like money laundering.
- Refusing, accepting, and returning donations: We generally accept donations that align with our mission, are from legal sources, and come without unreasonable conditions. We may refuse donations that pose reputational risk, conflict with our values, or are from illegal sources or vulnerable individuals. Refunds may be considered for errors, misrepresentation, undue pressure, or in exceptional cases of donor incapacity. Decisions are made by the Board, with thorough record-keeping and transparent communication.
- Public disclosure & anonymity: Donations of £5,000 or more are publicly disclosed on our website and in annual reports to foster transparency and recognition. We respect the right to anonymous donations, though public recognition of the donor is not possible, and basic contact information is required for tax purposes (kept confidential).
- Gift aid: As a registered charity, we actively promote Gift Aid, which increases the value of UK taxpayer donations by 25p for every £1 at no extra cost to the donor.
- Vulnerable individuals & safeguarding: All staff receive regular training on working with vulnerable individuals, and communications are mindful of potential vulnerabilities. Our adult safeguarding policies and procedures are adhered to.
- Data protection & AI: We manage donor data responsibly in line with GDPR and the Fundraising Regulator's Code of Fundraising Practice. While exploring AI to enhance donor journeys, we prioritise ethical considerations, data privacy, and human oversight.
- Complaints: We are committed to resolving complaints promptly and fairly. Concerns can be raised via email, phone, post, or online, with a detailed complaints procedure available. Staff and volunteers can use our whistleblowing mechanism for internal concerns.
- Transparency in costs & marketing: We manage fundraising expenses responsibly, ensuring a healthy balance between costs and funds directed to our mission. Marketing materials clearly display our charity name, contact information, mission, impact of donations, financial information availability, and charity registration number.
- Legacy fundraising: We encourage legacy giving by respecting donor autonomy, providing clear and honest information, avoiding pressure tactics, maintaining confidentiality, and recommending professional legal or financial advice. We cannot be named as executors of wills.
- Children in fundraising: Activities involving children are age-appropriate and guided by professionals. Parents/guardians receive safety guidance, and children under 16 do not handle collected money. Permission is sought before publishing photographs of children.
- Grant applications: We apply for grants responsibly through careful research, accurate applications, transparent reporting, and respectful communication with grant-making bodies. Applications over £250,000 require Board approval.
- Bullying and abuse: We maintain a zero-tolerance policy for abuse, including discrimination, bullying, and sexual harassment, for all involved with the charity. We ensure clear processes for raising concerns, which are dealt with promptly and sensitively.

This policy undergoes a biennial review by the Board of Trustees to ensure ongoing effectiveness and compliance with regulations.

Society of St James

Report of the Board of Trustees incorporating a Strategic Report for the year ended 31 March 2025

Strategic Report - Financial Review

Financial Position and Management Policies

The year ended 31 March 2025 has seen an operating surplus of £613k (2024 – £437k), net cash generated from operating activities of £924k (2024 £879k) and EBITDA of £1.237m (2024 - £0.99m). SSJ remains in a sound financial position at 31 March 2025 and finished the year with cash of £1,349k (2024 - £811k). During the year SSJ invested £1.6m (2024 £3.8m) in acquiring and developing new Housing Property.

The increase in cash during the year of £538k (2024 £1,217k) has been generated largely through cash from operating activities and new loans drawn down, offset by loan repayments and interest. SSJ had undrawn facilities of £1.2m at the end of the year with plans to draw this balance down in the first half of the 25/26 year. Current debtors were similar to the previous year whilst creditors have reduced by approximately £200k.

SSJ's formal financial procedures have been ratified by the Audit and Finance Committee. The Board considers the internal control systems in use to be sufficient for purpose. For items of major expenditure, competitive quotes are requested to ensure SSJ receives the best value for money.

Reserves

The reserves policy reflects the nature of SSJ's business and the sustainability of its sources of income from rent and contracts with local authorities. The Trustees seek to hold sufficient reserves to maintain financial stability while maximising the deployment of funds in pursuit of the charity's objectives; the Trustees review the implementation of the Policy annually.

The Trustees believe that it is prudent for the charity to hold a level of free financial reserves (general unrestricted funds less those held as fixed assets net of long-term debt) for the following purposes:

- To provide adequate short-term liquidity, and cover temporary timing differences in receipt of grant claims;
- To absorb setbacks and manage change should a major income stream fail;
- To enable the organisation to respond quickly to new opportunities.

The Trustees intend that the level of free reserves held by the charity should equate to at least one months' total unrestricted operating costs which were £1,436k during the year (2024 £1,328k). Although free reserves have increased from £134k in 2024 to £1,097k at 31 March 2025, they remain below the desired level. SSJ will continue to seek to increase this figure to achieve the desired level of reserves.

Free reserves are calculated by subtracting the value of fixed assets (excluding investments) from total reserves before adding back long-term liabilities and the next year's mortgage and grant liabilities.

SSJ had £4,519k of total reserves at 31 March 2025 (2024 - £4,313k).

Sources of Income

The largest source of income for SSJ this year has again been net rental and service charge income which has increased by 7.3% to £7,149k (2024 - £6,664k) and represents 40% of SSJ's total income (2024 - 41%). Rental income is usually collected directly from the relevant Local Authority in the form of Housing Benefit payments or the payment of invoices related to SSJ's care provision. The percentage of SSJ's income that it receives through housing support (previously Supporting People ("SP")) contracts has remained fairly static and is now around 19% (2024 - 20%) of total income.

Grant income from substance misuse services has increased to £5.288m (2024: £4.772m) and represents 30% of SSJ's income (2024: 29%). Donations and awards from philanthropic trusts and the general public increased by 63% and remain an important source of funding, with SSJ benefitting from £249k in the year to 31 March 2025 (2024 - £153k).

Society of St James

Report of the Board of Trustees incorporating a Strategic Report for the year ended 31 March 2025

Strategic Report - Financial Review (continued)

Property

SSJ acquired 5 properties during the year at a cost of £1.6m (2024 £3.3m). These costs, plus fees and development costs, are capitalised and depreciated over the useful life of the assets. Our properties are shown at their original cost in our accounts, less applicable depreciation. Properties used as security for borrowing are revalued regularly to comply with the terms of loan agreements. The 44 secured properties that are carried at £13.7m in our financial statements were most recently valued at £15.3m.

Funding

SSJ has financed its property acquisition programme through a combination of grants and long-term debt. Government grants are amortised to income over the life of the asset they funded and remain associated with that asset until it is disposed of. If an asset is disposed of the grant must be placed into a Recycled Capital Grant Fund (RCGF) (see note 17) and held until it can be used to acquire or develop similar property to that for which it was originally awarded or is repayable if this hasn't been achieved within 3 years. Government grant awaiting amortisation is shown in the accounts as a short or long-term creditor. Other capital grants, such as lottery funding, are shown as income in the year that the purpose for which they were awarded was achieved. Such grants usually come with a requirement to repay if the asset which they helped acquire are disposed of within a certain period of time.

In arranging external funding, SSJ has borrowed money from a spread of lenders, on a long-term basis and with a mix of fixed and variable interest rates appropriate to balance the risk of interest rate rises with the annual cost of borrowing.

SSJ maintained its borrowing relationships with five organisations during the year and drew down £1,428k of loan finance at a fixed rate of interest. At 31st March 2025 81% of borrowings were at interest rates that had been fixed for more than 3 years at the time they were drawn (2024 80%).

Cash and investments

With operating cash inflows of approximately £1.49m per month, SSJ manages its treasury resources actively, holding most of its cash in instant access accounts.

Under its Treasury Management Policy, SSJ is required to maintain ready access to sufficient sources of liquidity to meet the following month's cash operating costs plus the next three months' debt service costs. In addition, SSJ reviews annually the amount of liquidity which must be met from readily available cash. The minimum amount was increased from £735k to £914k in October 2024.

SSJ maintained its cash balances at in excess of the minimum required under its Treasury Management Policy throughout the year save for one period of 3 days where cash was slightly below the minimum due to a delay in receipt of Housing Benefit monies from a local authority. This cash management has assisted SSJ in funding future property acquisitions when the receipt of new loan finance was delayed.

Society of St James

Report of the Board of Trustees incorporating a Strategic Report (*Continued*) for the year ended 31 March 2025

Value for Money

SSJ is committed to delivering effective and efficient services to service users and embraces the Value for Money (VFM) methodology as required by the Regulator of Social Housing (RSH). SSJ agreed the Value for Money Policy in July 2013, which includes the following Statement of Intent:

"The Society of St James seeks to ensure that all financial and other resources are used to achieve the greatest benefits for the Society, in working towards the furtherance of the aims of the organisation, as described in the governing documents."

The requirements of the RSH require standard metrics to be shown in these accounts; the following shows these metrics for SSJ and is benchmarked against the most appropriate data (supported housing specialist providers (although these are all still large organisations with greater than 1,000 homes) from the RSH publication of value for money data for the sector for 2024. SSJ has also chosen to add two of its own benchmarks which appear below after the required metrics.

Required Metrics	Benchmark (2024 data)	Target (2025)	2025	2024
Metric 1 - Reinvestment %	6.2%	16.8%	7.7%	24.5%
Metric 2 - New supply delivered %	1.2%	6.7%	3.0%	5.5%
Metric 3 - Gearing %	11.8%	<50%	42.8%	42.3%
Metric 4 - EBITDA MRI Interest Cover %	221.6%	>200%	198%	196%
Metric 5 - Headline social housing cost per unit*	£12,029	£12,500	£13,001	£12,488
Metric 6A - Operating Margin % (social housing lettings only)	12.1%	2.0%	4.2%	4.9%
Metric 6B - Operating Margin % (overall)	6.9%	2.0%	3.4%	2.7%
Metric 7 - Return on capital employed (ROCE) %	2.2%	2.0%	3.2%	2.5%
SSJ additional metrics				
Occupancy %	n/a	>93%	92.7%	93.2%
Bad debts %	n/a	<0.9%	0.9%	1.1%

Metrics 1, 2 and 3

With a focus on increasing the accommodation offered to its service users, SSJ remains above the benchmark for these metrics. It is an active bidder for housing grant, supplemented by external borrowing. In the year 2024/25 SSJ fell below the normal rate of acquisition due to a shortage of suitable affordable housing stock and pending the introduction of a new tranche of government housing grant.

Metric 4

The target for EBITDA MRI Interest cover % was achieved with a result that is slightly below the benchmark. As SSJ invests more in new properties the interest charges will increase and so this metric is anticipated to drop in future years but will be managed effectively.

Metric 5

SSJ aims to reduce cost per unit over time as it builds in scale. SSJ's Social Housing cost per unit is always likely to be higher (and operating margin % lower) than the benchmark as a higher proportion of SSJ's housing stock is in supported housing. SSJ also bears the full costs of running support services (partly funded by grants), whereas most other providers fund fewer support services. SSJ has used an adjusted metric 5 to exclude support - only services. SSJ runs a number of support - only services where another entity undertakes the housing management and 'owns' the associated units; these support costs are included within the social housing costs in Note 3 but the housing units that are supported are not included in SSJ's housing stock. Under SSJ's revised metric the cost per unit is reduced significantly compared with the standard metric and is slightly above the target.

Society of St James

Report of the Board of Trustees incorporating a Strategic Report (*Continued*) for the year ended 31 March 2025

Value for Money (continued)

Metric 5 (continued)

SSJ believes that using this adjusted metric provides a more comparable and meaningful result than including costs of services that do not have any housing units associated with them.

Metric 6

SSJ's Operating Margins are significantly below the benchmark as it is a strategic decision of SSJ to maximise deployment of annual income to provide services to vulnerable people; the Trustees consider an Operating Margin which leads to a retained surplus of 2% generally provides an adequate sustainable surplus and SSJ is managed with the objective of achieving recurring surpluses at that level.

Metric 7

SSJ's ROCE metric is comparable to the benchmark and this year has marginally exceeded it.

SSJ additional metrics

SSJ has chosen two specific metrics for its internal performance which are crucial to monitor the level of housing income and that the efficiency of the service provided.

The occupancy percentage is similar to the previous year's performance. Systems are improving to turn around voids more quickly but SSJ suffers from a number of factors outside its control, including delays in referrals which have a negative impact on percentage occupancy.

The target bad debt percentage has been achieved this year, good rent collection policies from the Housing Management team have kept this at a sustainable figure. SSJ continues to benefit from direct payments of benefits.

Society of St James

Report of the Board of Trustees incorporating a Strategic Report (*continued*) for the year ended 31 March 2025

Statement of the Board of Trustees' responsibilities

The Board members are responsible for preparing the report of the Board and the financial statements in accordance with applicable law and regulations.

Company law and social housing legislation require the Board members to prepare financial statements for each financial year. Under that law the Board members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the society and of the surplus or deficit of the society for that period.

In preparing these financial statements, the Board members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice for social housing providers (2018) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the society will continue in business.

The Board members are responsible for keeping proper accounting records that are sufficient to show and explain the society's transactions and disclose with reasonable accuracy at any time the financial position of the society and enable them to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. They are also responsible for safeguarding the assets of the society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board is responsible for ensuring that the Report of the Board is prepared in accordance with the Statement of Recommended Practice for social housing providers (2018).

Financial statements are published on the society's 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 society's website is the responsibility of the Board Members. The Board Members' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Auditors

All of the current Trustees have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Trustees are not aware of any relevant audit information of which the auditors are unaware.

S & W Partners Audit Limited are deemed to be re-appointed as auditors.

This report was approved by the Board of Trustees on
and is signed on its behalf by:



A Davis (Aug 15, 2025 13:21:06 GMT+1)

A Davis, Trustee



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOCIETY OF ST JAMES

Opinion

We have audited the financial statements of Society of St James (the 'Society') for the year ended 31 March 2025 which comprise the Statement of Comprehensive Income, the Statement of Changes in Reserves, the Statement of Financial Position, the Cash flow statement and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Society's affairs as at 31 March 2025 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Society 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 directors' 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 Society's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Report and Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Report and Financial Statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated.



If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Board of Trustees incorporating a Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Board of Trustees incorporating a Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Board of Trustees incorporating a Strategic Report.

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

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

Responsibilities of directors

As explained more fully in the Statement of Board's Responsibilities set on page 15, the members of the board are the directors of the Society for the purposes of company law. The directors 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 controls as the directors 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 directors are responsible for assessing the Society'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 directors either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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



Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

We obtained a general understanding of the Society's legal and regulatory framework through enquiry of management concerning: their understanding of relevant laws and regulations and the entity's policies and procedures regarding compliance. We also drew on our existing understanding of the Society's industry and regulation.

We understand that the Society complies with the framework through:

- Updating operating procedures, manuals and internal controls as legal and regulatory requirements change;
- A risk assessment framework and register that includes regular review and scrutiny by the Board and Audit and Finance Committee;
- An annual assessment of compliance with regulatory standards as applied to Registered Providers and enforced by the Regulator of Social Housing; and
- The Board's close oversight through regular board meetings and compliance reporting.

In the context of the audit, we considered those laws and regulations: which determine the form and content of the financial statements; which are central to the Society's ability to conduct its business; and where failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the Society:

- FRS 102, the requirements of the Companies Act 2006, the Charities Act 2011 the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022, in respect of the preparation and presentation of the financial statements;
- Health and safety regulations; and
- Regulatory standards as applied to Registered Providers and enforced by the Regulator of Social Housing.

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations above:

- Performed a review of board minutes to identify any indicators of known or suspected non-compliance with significant laws and regulations; and
- Reviewed any correspondence between the Regulator of Social Housing and the Society.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the Society's financial statements to material misstatement, including how fraud might occur. The key areas identified as part of the discussion were with regard to the manipulation of the financial statements through manual journal entries.

The procedures carried out to gain evidence in the above areas included:

- Testing of a sample of manual journal entries, selected through applying specific risk assessments applied based on the Society's processes and controls surrounding manual journal entries

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



Use of our report

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

S&W Partners Audit Limited

S&W Partners Audit Limited (Aug 21, 2025 10:22:53 GMT+1)

Julie Mutton
Senior Statutory Auditor, for and on behalf of

S&W Partners Audit Limited
Statutory Auditor
Chartered Accountants

Date 21/08/2025

Cumberland House
15-17 Cumberland Place
Southampton
Hants
SO15 2BG

Society of St James

Statement of Comprehensive Income for the year ended 31 March 2025

	Notes	2025	2024
		£000s	£000s
Turnover		17,867	16,473
Operating costs		(17,254)	(16,036)
		<hr/>	<hr/>
Operating surplus	2	613	437
Interest receivable and similar income	6	40	23
Interest payable and similar charges	7	(427)	(359)
		<hr/>	<hr/>
Surplus for the year		226	101
Actuarial (loss)/gain in respect of pension scheme	22	(20)	26
		<hr/>	<hr/>
Total Comprehensive Income for the year		206	127
		<hr/>	<hr/>

All activities of the charitable company are classed as continuing.

The notes on pages 24 to 41 form part of these financial statements.

Society of St James

Statement of Changes in Reserves for the year ended 31 March 2025

	Retained Earnings £000s
Balance at 1 April 2023	4,186
Surplus for the year	101
Other Comprehensive Income	26
Balance at 31 March 2024	4,313
Balance at 1 April 2024	4,313
Surplus for the year	226
Other Comprehensive Income	(20)
Balance at 31 March 2025	4,519

Society of St James

Statement of Financial Position at 31 March 2025 Company Registration Number: 03009700

	Notes	2025 £000s	2024 £000s
Fixed assets			
Housing properties at cost less depreciation	9	17,660	16,338
Intangible assets	10	168	204
Other fixed assets	11	869	887
Investments	12	10	10
		<hr/>	<hr/>
		18,707	17,439
Current assets			
Debtors	13	1,396	1,394
Cash at bank and in hand		1,349	811
		<hr/>	<hr/>
		2,745	2,205
Creditors: amounts falling due within one year	14	2,100	2,312
		<hr/>	<hr/>
Net current assets/(liabilities)		645	(107)
		<hr/>	<hr/>
Total assets less current liabilities		19,352	17,332
		<hr/>	<hr/>
Creditors: amounts falling due after more than one year	15	14,833	13,019
		<hr/>	<hr/>
Total net assets		4,519	4,313
		<hr/>	<hr/>
Capital and reserves			
Retained earnings		4,519	4,313
		<hr/>	<hr/>
Total Capital and Reserves		4,519	4,313
		<hr/>	<hr/>

The financial statements on pages 20 to 41 were approved and authorised for issue by the Board of Trustees on 30 September 2025 and are signed on its behalf by:-

gcw marshall
gcw marshall (Aug 15, 2025 12:40:16 GMT+1)

G Marshall
Trustee

A Davis
A Davis (Aug 15, 2025 13:21:06 GMT+1)

A Davis
Trustee

The notes on pages 24 to 41 form part of these financial statements.

Society of St James

Cash flow statement for the year ended 31 March 2025

	Notes	2025 £000s	2024 £000s
Net cash generated from operating activities	23	1,017	879
Cash flow from investing activities			
Acquisition, construction and works to tangible fixed assets		(2,094)	(4,246)
Proceeds from the sale of fixed asset investments		-	87
Grants received		839	1,789
Interest received		40	23
Net cash used in investing activities		(1,215)	(2,347)
Cash flow from financing activities			
New loans (net of fees)		1,421	819
Loans repaid		(236)	(209)
Interest paid		(449)	(359)
Net cash generated from financing activities		736	251
Increase/ (Decrease) in cash and cash equivalents		538	(1,217)
Cash and cash equivalents at beginning of year		811	2,028
Cash and cash equivalents at end of year		1,349	811

Society of St James

Notes forming part of the financial statements for the year ended 31 March 2025

1 Accounting policies

Society of St James ("the Society") is a private company limited by guarantee and incorporated in England and Wales. It is a registered provider of social housing with the Regulator of Social Housing and the address of the registered office is 125 Albert Road South, Southampton, SO14 3FR.

Basis of accounting

The financial statements have been prepared in accordance with UK Generally Accepted Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102) and the Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2022.

The financial statements are prepared under the historical cost convention as modified by the revaluation of certain fixed assets at the date of transition under the 'deemed cost' option of FRS 102 and as modified by the revaluation of investments.

The Society meets the definition of a Public Benefit Entity under FRS 102

These financial statements are single entity statements and not consolidated group accounts. Consolidation is not required as the other group member, Jamie's Computers Limited, was dormant throughout the reporting period.

Going concern

After making enquiries, the Board has reviewed forecasts and further information that has reassured it that there is a reasonable expectation that the Society has, and will continue to receive, adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statement are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

The principal accounting policies of the Society are set out below.

1.1 *Significant judgements and estimates*

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the Statement of Financial Position date and the reported amounts of revenues and expenses during the reporting period.

Significant management judgements

The following are the significant management judgements made in applying the accounting policies of the Society that have the most significant effect on the financial statements

1.1a *Identification of housing property components*

Housing property depreciation is calculated on a component-by-component basis. The identification of such components is a matter of judgement and may have a material impact on the depreciation charge. The components selected are those which reflect how the major repairs to the property are managed.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Society of St James

Notes forming part of the financial statements for the year ended 31 March 2025

1 Accounting policies (continued)

1.1b Goodwill

Goodwill is written off over its useful economic life, being 10 or 20 years depending upon the nature of the asset and the applicable accounting standards at the time it arises.

1.1c Bad debt provision

Trade debtor balances are recorded in the Society's statement of financial position and comprise a relatively large number of small balances. A full line by line review of trade debtors is carried out at the end of each month. Whilst every attempt is made to ensure that the bad debt provisions are as accurate as possible, there remains a risk that the provisions do not match the level of debts which ultimately prove to be uncollectable. Additionally, a provision is made against 50% of resident's credit balances.

1.1d Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence with regard to IT equipment/software and any changes to decent homes standard requiring frequent replacement of components.

1.1e Dilapidations

A number of liabilities are recognised in the accounts to reflect the management's view of the potential liabilities that the Society has to pay for dilapidations to premises that it rents during and after its tenure in them. Experience of previous dilapidations claims, and settlements has informed these estimates.

1.1f Local Government Pension Scheme (LGPS) Valuations

The Society is an admitted body to the Hampshire LGPS following transfers of staff formerly working in the public sector. The scheme actuaries estimate the liabilities of the Hampshire LGPS using a number of key assumptions including rates of inflation; mortality; discount rate; and future salary increases. Variances in these assumptions may impact the pension liability and annual expense.

1.2 Turnover

Turnover includes rental and service charge income from residential properties in respect of the year and any other income such as legacies. Fees or grants receivable from local authorities in respect of revenue are credited to the Statement of Comprehensive Income in the same period as the expenditure to which they relate. Grants received for housing properties are recognised in income on a systematic basis.

1.3 Interest Payable

Interest payable on loan finance during the development of new property assets is capitalised as a development cost of the new asset for which the loan was drawn. All other interest payable is charged to the Statement of Comprehensive Income in the year to which it relates.

1.4 Goodwill

Positive goodwill arising from the purchase of care homes (representing the excess of the purchase price of the business over the valuation of the assets acquired) has been capitalised and, subject to impairment reviews as required, is amortised by equal charges to the Statement of Comprehensive Income, over the period from which economic benefit is derived, as follows:

Radstock Residential Care Home: 20 years
Linden House Residential Care Home: 10 years

Society of St James

Notes forming part of the financial statements for the year ended 31 March 2025

1 Accounting policies (continued)

1.5 Housing properties

Freehold housing properties are stated at cost. Cost includes the cost of acquiring land and buildings, development costs, and expenditure incurred in respect of improvements. In accordance with the SORP, component accounting has been adopted. The components of a property have therefore been identified and when a component is replaced the cost is capitalised as a component of the property. Other repair work is charged to the Statement of Comprehensive Income.

Freehold land is not depreciated. Depreciation is charged so as to write down the cost of freehold properties other than freehold land to their estimated residual value on a straight line basis over their estimated useful economic lives at the following rates:

Component	Years	Component	Years	Component	Years
Structure	50	Boiler and Heating System	10	Bathrooms*	10 or 20
Roof	30	Windows and Doors [^]	5 or 20	Sub structure	10
Electrical Wiring	20	Solar Panels	12	Kitchens*	5 or 10

[^] UPVC windows and doors: 20 years; wooden windows: 5 years

* Bathrooms and Kitchens are depreciated at the shorter rate where there are shared facilities

1.6 Leasehold property and leasehold improvements

Leasehold housing property and leasehold improvements are accounted for in the same way as Freehold housing property other than depreciation which is charged over the life of the lease, or using the rates in the table above, whichever is the lower.

1.7 Other freehold property

Other freehold properties are stated at cost. Cost includes the cost of acquiring land and buildings, development costs, and expenditure incurred in respect of improvements. Depreciation is charged so as to write down the cost of other freehold properties other than freehold land to their estimated residual value on a straight line basis over their estimated useful economic lives of 50 years. Freehold land is not depreciated.

1.8 Other fixed assets

Expenditure on other tangible fixed assets is capitalised only when it has a life of more than one year and has a value of more than £1,000. The cost of other items is written off as incurred. Depreciation is provided on these tangible fixed assets at rates calculated to write off cost over their expected useful lives, using the straight line method at a rate of between 25% to 50% per annum.

The Society took the transitional relief to include certain other fixed assets at fair value at the date of transition to FRS 102, known as deemed cost.

1.9 Government Grants – Housing Property

Government grants include grants receivable from Homes England, local authorities and other government organisations. Government grants received for housing properties are recognised in income over the useful life of the longest life components on a pro rata basis under the accrual model. The unamortised element of the government grant is recognised as deferred income in creditors.

Grants due from government organisations or received in advance are included as current assets or liabilities.

Society of St James

Notes forming part of the financial statements for the year ended 31 March 2025

1 Accounting policies (continued)

1.10 Government Grants – Other fixed assets

Capital grants received for other fixed assets are held as creditors and recognised on a straight line basis over the useful economic life of the asset for which they have been used to acquire.

1.11 Revenue Grants

Grants relating to revenue are recognised in the Statement of Comprehensive Income over the same period as the expenditure to which they relate. Until the revenue grants are recognised as income they are recorded as liabilities.

1.12 Operating leases

Annual rentals under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the term of the lease. The aggregate benefits of any lease incentive are recognised as a reduction in expenses over the term of the lease.

1.13 Pension costs

The Society operates a number of pension arrangements for its employees.

Pensions Trust – Defined Contribution

The Society operates a defined contribution scheme through The Pensions Trust. The accounting charge for the period represents the employer contribution payable.

Pensions Trust Growth Plan – Defined Benefit

The Growth Plan is a multi-employer defined benefit scheme through The Pensions Trust.

It is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to individual participating employers. Accordingly, due to the nature of the scheme, the accounting charge for the period under FRS102 represents the employer contribution payable.

The scheme currently has a shortfall of assets compared to liabilities and a deficit payment plan which has been agreed between the participating employers and Trustee of the scheme. In line with FRS102 requirements, this cash payment plan has been recognised as a liability in the Statement of Financial Position and is measured at the reporting date by discounting the future cash outflows at the rate of AA corporate bond. The unwinding of this discounting is recognised as a finance charge in the period to which it relates.

Hampshire County Council Pension Fund

The Society participates in a defined benefit pension scheme which provides benefits based on final pensionable salary. The assets of the scheme are held by the Hampshire County Council Superannuation Fund.

The pension costs relating to the scheme are accounted for in accordance with FRS102. Current service costs and interest costs relating to the net defined obligation are included in the income statement in the period to which they relate. When applicable, actuarial gains and losses as well as any other re measurements are recognised in other comprehensive income. Where a scheme is in surplus in accordance with FRS102 28.22 the asset can only be recognised to the extent that the entity is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme.

Society of St James

Notes forming part of the financial statements for the year ended 31 March 2025 *(Continued)*

1 Accounting policies (continued)

1.14 *Taxation*

The Society has charitable status and therefore is not subject to Corporation Tax on surpluses derived from charitable activities.

1.15 *Value added tax*

The Society is VAT registered and is able to recover all VAT incurred at Jamie's Computers and part of the VAT on Head Office costs. All other VAT incurred is included within the category of expenditure to which it relates.

1.16 *Financial Instruments*

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Society becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and are measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the Society may not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits with an original maturity of three months or less and bank overdrafts which are an integral part of the Society's cash management.

Interest - bearing bank loans, overdrafts and other loans which meet the criteria to be classified as basic financial instruments are initially recorded at the present value of cash payable to the bank, which is ordinarily equal to the proceeds received net of direct issue costs. These liabilities are subsequently measured at amortised cost, using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial asset or liability or, where deemed appropriate, a shorter period to the net carrying amount on initial recognition.

1.17 *Development staff costs*

Where staff costs are directly attributable to the development of new property assets these costs will be capitalised as a development cost of the new asset.

Society of St James

Notes forming part of the financial statements for the year ended 31 March 2025 (Continued)

2 Operating surplus

	2025 £000s	2024 £000s
<i>Operating surplus is stated after charging:</i>		
Depreciation		
- housing properties	562	475
- other fixed assets	222	215
Amortisation of goodwill	36	35
Auditors' remuneration	32	25
- as auditors (excluding VAT and expenses)		
- other services	-	-
Rent losses from bad debts	38	41
- rent (net of service charges)		
- service charges	32	36
Operating lease costs	633	670

3 Income and Expenditure from Social Housing Activities

	2025 £000s	2024 £000s
Income		
Rent receivable net of identifiable service charges and voids	4,830	4,551
Service charges receivable	2,319	2,113
Revenue and capital grants relating to lettings	4,475	4,369
Revenue and capital grants from other social housing activities	5,600	4,923
Turnover from social housing activities	17,224	15,956
Social housing activity expenditure relating to lettings	11,136	10,494
Other social housing activity expenditure	5,479	4,899
Total expenditure on social housing activity	16,615	15,393
Operating surplus from social housing activities	609	563
Void losses	559	490

4 Staff costs

	2025 £000s	2024 £000s
Wages and salaries	9,811	8,889
Employer National Insurance Contributions	805	708
Employer pension contribution costs	670	612
	11,286	10,209

Company pension scheme contributions are made to pension schemes operated on the company's behalf by TPT retirement solutions (formerly the Pensions Trust) and Hampshire County Council.

Society of St James

Notes forming part of the financial statements for the year ended 31 March 2025 (Continued)

4 Staff costs (continued)

The average number of staff directly employed by the company during the year (expressed in full time equivalents) was:

	2025 Number	2024 Number
Housing and support	196	200
Substance misuse	85	80
Social enterprise	12	13
Finance	9	9
Administration	17	16
	<u>319</u>	<u>318</u>

5 Senior Management Team's emoluments (including Key Management Personnel)

The aggregate emoluments of the Senior Management Team, including the Chief Executive, were:

	2025 £000s	2024 £000s
Wages and salaries	397	398
Employer National Insurance Contributions	46	46
Employer pension contribution costs	42	50
	<u>485</u>	<u>494</u>
Remuneration payable to the highest paid Director excluding pension	<u>75</u>	<u>87</u>

For the year ended 31 March 2025 the number of employees whose annual emoluments including pension contributions were £60,000 or more were:

	2025 Number	2024 Number
£60,000 to £70,000	2	4
£70,000 to £80,000	2	-
£80,000 to £90,000	1	1
£90,000 to £100,000	-	1

The now retired Chief Executive (retired 17 May 2024) was a member of the 'Flexible Retirement Plan' pension scheme that is administered by TPT Retirement Solutions (formerly the Pensions Trust) and is available to all staff. As with all staff in this scheme the Chief Executive sacrificed 5% of their salary during the financial year in order for the company to contribute 8% of salary (as listed above) to the scheme. There are no enhanced or special terms for the new Chief Executive's pension (appointed 24 June 2024) and they were an ordinary member of the scheme during the financial year. The Chief Executive has no other pension arrangements to which the company contributes. No member of the Board of Trustees received any remuneration in either the current or comparative years.

Society of St James

Notes forming part of the financial statements
for the year ended 31 March 2025 (*Continued*)

6 Interest receivable and similar income

	2025 £000s	2024 £000s
Interest receivable and investment income	40	23
	<u> </u>	<u> </u>

7 Interest payable

	2025 £000s	2024 £000s
Mortgage interest	449	385
Unwinding of discount factor in respect of the pension growth plan	-	1
Less capitalised interest	(22)	(27)
	<u> </u>	<u> </u>
	427	359
	<u> </u>	<u> </u>

8 Tax on surplus on ordinary activities

Society of St James is a registered charity and, as such, is exempt from liability to taxation on income and capital gains derived from its charitable activities.

9 Housing property

	Property in development £000s	Leasehold land and property held for lettings £000s	Freehold land and property held for lettings £000s	Total £000s
<i>Cost</i>				
At 1 April 2024	1,132	5,010	12,808	18,950
Additions: new properties	-	464	1,155	1,619
works to existing properties	32	65	194	291
Transfers:	(1,164)	434	730	-
Disposals: components replaced	-	(11)	(32)	(43)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2025	-	5,962	14,855	20,817
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<i>Depreciation</i>				
At 1 April 2024	-	442	2,170	2,612
Charge for the year	-	142	420	562
Disposals: components replaced	-	(2)	(15)	(17)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2025	-	582	2,575	3,157
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<i>Net book value</i>				
At 31 March 2025	-	5,380	12,280	17,660
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2024	1,132	4,568	10,638	16,338
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

As at the year end, the total cost of housing properties includes capitalised interest of £122k (2024: £100k).

Society of St James

Notes forming part of the financial statements
for the year ended 31 March 2025 (*Continued*)

10 Intangible assets

Goodwill
£000s

Cost at 1 April 2024 and 31 March 2025

421

Amortisation

At 1 April 2024

217

Charge for the year

36

At 31 March 2025

253

Net Book Value

At 31 March 2025

168

At 31 March 2024

204

11 Other fixed assets

	Freehold Property £000s	Leasehold Improvements £000s	Motor vehicles £000s	Office Equipment £000s	Housing Equipment £000s	Total £000s
<i>Cost</i>						
At 1 April 2024	278	827	194	311	631	2,241
Additions	1	99	42	12	52	206
Disposals	-	-	(38)	-	(12)	(50)
At 31 March 2025	279	926	198	323	671	2,397
<i>Depreciation</i>						
At 1 April 2024	47	456	151	232	468	1,354
Charge for the year	6	94	26	45	51	222
Disposals	-	-	(38)	-	(12)	(50)
At 31 March 2025	53	550	139	277	507	1,526
<i>Net book value</i>						
At 31 March 2025	226	376	59	46	164	871
At 31 March 2024	231	371	43	79	163	887

On a historical cost basis, the freehold property would have been included at:

	2025 £000s	2024 £000s
Cost	296	296
Aggregate depreciation	(109)	(106)
Depreciated cost	187	190

Society of St James

Notes forming part of the financial statements for the year ended 31 March 2025 (Continued)

12 Investments	Unlisted £000s	2025 £000s	2024 £000s
<i>Cost or valuation</i>			
Valuation at 1 April 2024	10	10	10
	<hr/>	<hr/>	<hr/>
Cost or Valuation at 31 March 2025	10	10	10
	<hr/>	<hr/>	<hr/>

The unlisted investment is held at cost and represents 100% of the share capital of Jamie's Computers Limited. Jamie's Computers Limited has its registered office at 125 Albert Road South, Southampton, SO14 3FR. Jamie's Computers was dormant throughout the 9 periods from 1 April 2016 to 31 March 2025. Jamie's Computers Limited had £10,000 of unpaid share capital and £9,500 reserves at 31 March 2024 and 31 March 2025.

13 Debtors	2025 £000s	2024 £000s
Trade Rent and service charge	517	391
Debtors: Less Provision for doubtful debts	(418)	(319)
Rent and service charge (net of provision for doubtful debts)	99	72
Other trade debtors (net of provision)	970	1,109
Grants receivable	-	14
Other debtors	20	19
Prepayments and accrued income	307	180
	<hr/>	<hr/>
	1,396	1,394
	<hr/>	<hr/>

All amounts shown under debtors fall due for payment within one year.

14 Creditors: Amounts falling due within one year	2025 £000s	2024 £000s
Secured Mortgage	224	231
Trade creditors	603	695
Grants in advance	388	670
Taxation and social security	171	165
Intercompany creditor (Jamie's Computers Ltd)	10	10
Other creditors	372	294
Accruals and deferred income	109	55
Pension creditor (TPT)	5	6
Deferred capital grant (Note 16)	218	186
	<hr/>	<hr/>
	2,100	2,312
	<hr/>	<hr/>

Society of St James

Notes forming part of the financial statements for the year ended 31 March 2025 (Continued)

15 Creditors: Amounts falling due after more than one year	2025 £000s	2024 £000s
Deferred capital grant (note 16)	6,147	5,535
Secured mortgages (net of fees)	8,676	7,484
Pension creditor	10	-
	<hr/> 14,833	<hr/> 13,019

The mortgages are repaid on a monthly basis over terms ranging from 15 to 30 years. Rates are either variable with a margin over Bank of England base rate or SONIA, or fixed. The remaining terms on these loans are between 3 and 22 years.

A variable rate of interest was charged on £1,738k of mortgage balances (2024 £1,818k). The variables rates applied are:

	2025 £000s	2024 £000s
SONIA + 0.65% on the mortgage balance of	233	262
Bank of England (BoE) base rate + 2.55% on the mortgage balance of	1,505	1,556
	<hr/> 1,738	<hr/> 1,818
	<hr/>	<hr/>
	2025 £000s	2024 £000s
A fixed rate of 3.2% was charged on mortgage balances of	556	604
A fixed rate of 2.9% was charged on mortgage balances of	2,139	2,223
A fixed rate of 3.707% was charged on mortgage balances of	1,480	1,480
A fixed rate of 6.445% was charged on mortgage balances of	823	823
A fixed rate of 5.75% was charged on mortgage balances of	882	907
A fixed rate of 5.798% was charged on mortgage balances of	1,428	-
	<hr/> 7,308	<hr/> 6,037

The mortgages are secured by fixed charges over 44 of the Society's properties.

The mortgages are repayable as follows:

	2025 £000s	2024 £000s
In less than one year	224	231
In more than one year but less than two years	256	242
In more than two years but less than five years	728	508
In more than five years	7,838	6,874
	<hr/> 9,046	<hr/> 7,855

Society of St James

Notes forming part of the financial statements for the year ended 31 March 2025 (*Continued*)

16	Deferred Capital Grant	2025 £000s	2024 £000s
	At 1 April	5,721	3,888
	Grants received in year	839	1,789
	Released to income in the year	(195)	(137)
	Transfer from /(to) RCGF	-	181
		<hr/>	<hr/>
	At 31 March	6,365	5,721
		<hr/>	<hr/>
	Amounts to be released within one year	218	186
	Amounts to be released in more than one year	6,147	5,535
		<hr/>	<hr/>
		6,365	5,721
		<hr/>	<hr/>
17	Recycled Capital Grant Fund (RCGF)	2025 £000s	2024 £000s
	At 1 April	-	181
	Grants recycled	-	-
	Interest accrued	-	-
	Recycling of grant new property	-	(181)
		<hr/>	<hr/>
	At 31 March	-	-
		<hr/>	<hr/>
18	Commitments	2025 £000s	2024 £000s
	<i>Capital commitments</i>		
	Expenditure authorised by the board, but not contracted	-	414
		<hr/>	<hr/>

Society of St James

Notes forming part of the financial statements for the year ended 31 March 2025 (Continued)

19 Housing stock

The housing stock of the charitable company comprised the following types of property.

	2025 Number	2024 Number
Leased supported units	220	219
Owned supported units	321	306
	<hr/>	<hr/>
	541	525
	<hr/>	<hr/>

20 Legislative provisions

Society of St James is a company limited by guarantee and is registered with the Charity Commission and the Regulator of Social Housing.

21 Commitments under operating leases

The company had outstanding commitments for future minimum payments under non-cancellable operating leases as set out below:

	Land and buildings 2025 £000s	2024 £000s
Operating leases which expire:		
Within one year	643	621
In two to five years	1,626	2,272
After five years	260	518
	<hr/>	<hr/>
	2,529	3,411
	<hr/>	<hr/>

22 Pension Scheme

The Society of St James participates in a variety of pension schemes administrated by TPT retirement solutions, previously the Pensions Trust (the Trustee) and pays contributions at a variety of rates. For members who joined any of the schemes prior to 1 July 2012 the Society paid contributions at the rate of 9% of salary and members paid contributions at the rate of 5% of salary during the accounting period. For members who have transferred into the Society's employment due to TUPE regulations and have relevant employment rights, or who were employed before 1 July 2012, and opted to join one of the pension schemes prior to 30 November 2012, the Society paid contributions at the rate of 6% of salary and members paid contributions at the rate of 5% of salary during the accounting period. For members who joined the Society on or after 1 July 2012, or who opted to join the pension after 30 September 2012, or who were auto enrolled, the Society paid contributions of 3% whilst members paid contributions at the rate of 5% of salary during the accounting period.

All schemes, apart from the Growth Plan (the scheme), are defined contribution schemes. The Society participates in the scheme, a multi-employer scheme which provides benefits to some 521 non-associated participating employers.

The scheme is a defined benefit scheme in the UK. It is not possible for the Society to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

Society of St James

Notes forming part of the financial statements for the year ended 31 March 2025 (Continued)

22 Pension Scheme (continued)

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the Society 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.

A full actuarial valuation for the scheme was carried out at 30 September 2023. This valuation showed assets of £514.9m, liabilities of £531m and a deficit of £16.1m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme.

Deficit contributions required from the Society of St James from 1 April 2025 to 31 March 2028 have been recalculated to be £5,012 per annum (payable monthly).

Where the scheme is in deficit and where the Society has agreed to a deficit funding arrangement the Society recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

<i>Present Values of Provision</i>		2025 £000s	2024 £000s
Present Value of Provision		14	6
<i>Reconciliation of Opening and Closing Provisions</i>		2025 £000s	2024 £000s
Provision at start of period		6	13
Unwinding of the discount factor (interest expense)		-	1
Deficit contributions paid		(6)	(8)
Remeasurements – amendments to the contribution schedule		14	-
Provision at end of period		<u>14</u>	<u>6</u>
<i>Income and Expenditure Impact</i>		2025 £000s	2024 £000s
Interest expense		-	1
Remeasurements – amendments to the contribution schedule		14	-
<i>Assumptions</i>	2025 %	2024 %	2023 %
Rate of discount	4.84	5.31	5.52

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

Society of St James

Notes forming part of the financial statements for the year ended 31 March 2025 (Continued)

22 Pension Scheme (continued)

The following schedule details the deficit contributions agreed between the Society and the scheme at each year end period:

	2025 £000s	2024 £000s	2022 £000s
Year 1	5	6	8
Year 2	5	-	6
Year 3	5	-	-

Hampshire County Council Pension Fund

The Society commenced participation in the Local Government Pension Scheme (LGPS) administered by Hampshire County Council on 1 November 2016.

The disclosures below relate to the funded liabilities within the Hampshire County Council Pension Fund (the "Fund") which is part of the Local Government Pension Scheme (the "LGPS").

The funded nature of the LGPS requires participating employers and their employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. The last actuarial valuation was at 31 March 2022 and the contributions to be paid until 31 March 2025 resulting from that valuation are set out in the Fund's Rates and Adjustment Certificate.

The Fund Administering Authority, Hampshire County Council is responsible for the governance of the Fund.

The assets allocated to the Employer in the Fund are notional and are assumed to be invested in line with the investments of the Fund for the purposes of calculating the return to be applied to those notional assets over the accounting period. The Fund is large and holds a significant proportion of its assets in liquid investments. As a consequence, there will be no significant restriction on realising assets if a large payment is required to be paid from the Fund in relation to an employer's liabilities. The assets are invested in a diversified spread of investments and the approximate split of assets for the Fund as a whole is shown in the disclosures.

The Administering Authority may invest a small proportion of the Fund's investments in the assets of some of the employers participating in the Fund if it forms part of their balanced investment strategy.

Reconciliation of funded status to Balance Sheet	31 March 2025 £000s	31 March 2024 £000s
Fair value of assets	1,447	1,371
Present value of funded defined benefit obligation	(734)	(828)
	<hr/>	<hr/>
Funded status	713	543
	<hr/>	<hr/>
Unrecognised asset	(713)	(543)
	<hr/>	<hr/>
Liability recognised on balance sheet	-	-
	<hr/>	<hr/>

Society of St James

Notes forming part of the financial statements for the year ended 31 March 2025 (Continued)

22 Pension Scheme (continued)

The key actuarial assumptions on which the Scheme Actuary's calculations are based are as follows:

	31 March 2025 % per annum	31 March 2024 % per annum
Discount Rate	5.80	4.85
CPI inflation	2.75	2.75
Pension increases	2.75	2.75
Pension accounts rate of revaluation	2.75	2.75
Salary increases	3.75	3.75

Mortality Assumptions

The mortality assumptions are based on the recent actual mortality experience of members within the Fund and allow for expected future mortality improvements. Sample life expectancies at 65 resulting from these mortality assumptions are shown below.

Assumed Life expectancy at 65	2025	2024
Male		
Member aged 65 at accounting date	22.0	22.1
Member aged 45 at accounting date	22.5	22.6
Female		
Member aged 65 at accounting date	24.7	24.7
Member aged 45 at accounting date	25.6	25.7

Asset allocation in the scheme is as follows:	2025 %	2024 %
Equities	52	55
Property	36	7
Bonds	10	37
Cash	2	1
Total	100	100

Amounts recognised in Income Statement	2025 £000s	2024 £000s
Operating cost		
Current service cost	34	37
Interest on net defined benefit asset	(1)	1
Expense recognised in Income Statement	33	38

Society of St James

Notes forming part of the financial statements for the year ended 31 March 2025 (Continued)

22 Pension Scheme (continued)

Amounts recognised in other Comprehensive Income	2025 £000s	2024 £000s
Asset (losses)/gains arising during the period	(26)	54
Actuarial gains due to change in financial assumptions	164	20
Actuarial gains due to changes in demographic assumptions	1	8
Actuarial gains/(losses) due to liability experience	7	(26)
Adjustments in respect of paragraph 28.22 of FRS102	(166)	(30)
Total amount recognised in other Comprehensive Income	(20)	26
Changes to present value of the defined benefit obligation	2025 £000s	2024 £000s
Opening defined benefit obligation	828	752
Current service cost	34	37
Interest expense on defined benefit obligation	41	36
Contributions by participants	9	10
Actuarial gains due to change in financial assumptions	(164)	(20)
Actuarial gains due to changes in demographic assumptions	(1)	(8)
Actuarial (gains)/losses due to liability experience	(7)	26
Net benefits paid out	(6)	(5)
Closing defined benefit obligation	734	828
Changes to the fair value of assets	2025 £000s	2024 £000s
Opening fair value of assets	1,371	1,222
Interest income on assets	67	57
Remeasurement (losses)/ gains on assets	(26)	54
Contributions by employer	32	33
Contributions by participants	9	10
Net benefits paid out	(6)	(5)
Closing fair value of assets	1,447	1,371
Actual Return on Assets	2025 £000s	2024 £000s
Interest income on assets	67	57
(Loss) / gain on assets	(26)	54
Actual return on assets	41	111

Society of St James

Notes forming part of the financial statements for the year ended 31 March 2025 (Continued)

23 Reconciliation of operating surpluses to net cash inflow from operating activities

	2025 £000s	2024 £000s
Operating surplus	613	437
Amortisation of intangible fixed asset	36	35
Amortisation of deferred capital grant	(195)	(137)
Depreciation of tangible fixed assets	784	659
Loss on disposal	26	-
Increase in debtors	(2)	(541)
(Decrease)/ Increase in creditors	(240)	400
Pension scheme adjustment	(5)	26
Net cash inflow from operating activities	1,017	879

24 Analysis of change in net debt

	At 1 April 2024 £000s	Cash Flow £000s	Other £000s	At 31 March 2025 £000s
Cash at bank and in hand	811	538	-	1,349
Debt due within one year	(231)	231	(224)	(224)
Debt due after one year	(7,484)	(1,416)	224	(8,676)
Total	(6,904)	(647)	-	(7,551)

25 Related party transactions

Related party transactions have been recorded between the Society and the brother-in-law of a senior member of staff, with the brother-in-law providing Handyman maintenance services to the Society. The total expenditure with the related party during the year was £1k (2024: £16k) with no balances outstanding at 31 March 2025 (2024: less than £1k). Related party transactions have been recorded between the Society and the daughter of a director who was employed at the Society's care home with the total during the year being £3.3k (2024: £5k). Additionally, SSJ paid £16.9k to the Big Difference, a local food redistribution charity that is managed by Above Bar Church of which Trevor Pickup, Chief Executive until 17 May 2024, is Trustee and an elder. The payment facilitated the weekly provision of food to SSJ's 'food banks' in Southampton and Portsmouth until January 2025. No other related party transactions have occurred with regards to the Trustees and Senior Staff as listed on page 1 of these accounts, other than remuneration paid to Key Management Personnel set out in note 5.

26 Post Balance Sheet Events

In June 2025 the Board authorised Capital Expenditure of £1.5M to purchase 49 units of housing accommodation from a Registered Provider of Social Housing. The transaction is expected to take place during the financial year ending 31 March 2026. This expenditure is expected to be funded by a combination of mortgage finance and cash. Any existing grant liabilities associated with the properties will be transferred as a part of the purchase.

27 Controlling party

At 31 March 2025 the ultimate controlling party was the Trustees and Directors of the Society of St James.