

Charity Registration No. 1088592

Company Registration No. 04107226 (England and Wales)

PURSUING INDEPENDENT PATHS
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

PURSUING INDEPENDENT PATHS

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	M Barrie	
	P Brown	(Appointed 29 May 2023)
	T Cash	(Appointed 6 December 2022)
	T Ekendu	(Appointed 29 May 2023)
	T Lang	
	J Leach	
	D Wakerley	
	J Wilcox	
Charity number	1088592	
Company number	04107226	
Registered office	306 Kensal Road London W10 5BE United Kingdom	
Auditor	HW Fisher LLP Acre House 11-15 William Road London NW1 3ER United Kingdom	
Bankers	Unity Trust Bank Nine Brindleyplace Birmingham B1 2HB	

PURSUING INDEPENDENT PATHS

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PURSUING INDEPENDENT PATHS

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their annual trustees' report together with the financial statements of the charity for the year ending 31 March 2023. The trustees' report is also prepared to meet the requirements for a directors' report for Companies Act purposes.

The financial statements comply with the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

PiP's charitable objects are to promote any charitable purpose for the benefit of the public in the UK which will assist adults (aged over 18) living in Greater London who have learning difficulties and/or mental health problems, by the advancement of education and the protection of health.

Our vision is 'that all adults with a learning disability are empowered to achieve their ambitions'. Our mission (or purpose) statement states that 'we work together with people with a learning disability and their support networks to gain skills and opportunities for independence and to live a life of their choice'. Since our 2021 strategic review and 2022 move to our new centre we have worked to align our work and with these statements.

Our core provision supports learners from across Westminster, Kensington & Chelsea, and other London boroughs. Students attend PiP often with multiple learning disabilities such as Down's Syndrome, Fragile X syndrome, sensory disabilities or Autism. Need for PiP services can vary from 3 hours across the week up to 30 hours which is our maximum offer. In 2022-23 we reached our highest ever number of students, close to 70 in total and we delivered over 50,000 student hours.

Our students make their own personalised learning programme, choosing sessions from our four delivery pathways: Employment and Vocational Training; Creative and Performing Arts; Health and Wellbeing; and Independent Living Skills, some examples of which are described below:

- Employment and Vocational Training

- Fruitful, our social enterprise style juice pop up stall
- Employability support in small groups and 1:1 job coaching
- Work experience, job tasters and placements
- Petit Miracles, a local social enterprise that teaches upcycling furniture skills

- Creative and Performing Arts

- Drama
- Cabaret
- Visual and Sensory Art
- Music and Singing
- Creative Writing
- Making Podcasts

- Health and Wellbeing

- Exercise and Fitness
- Gardening
- Social Wellbeing
- Men's and Women's Groups to focus on gender specific issues
- Using health services, health checks

- Independent Living Skills

- Travel skills to enable students to travel independently
- Advocacy, to support students to speak up and out about subjects they care about
- Daily Living Skills such as healthy cooking, managing money and using equipment around the house

Weekly student meetings and a Student Council ensure that the student voice is kept central to the way PiP operates. We have started work with students to ascertain how best to amplify this at all levels of the organisation so that the management team and the Board of Trustees can respond to the changes and service improvements students wish to see.

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TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

ACHIEVEMENTS AND PERFORMANCE

2022-23 was our first year in our new centre at 306 Kensal Road, consisting of a purpose-adapted home for our students with a performing & creative arts space; a teaching kitchen; multiple classrooms; and a digital-immersion room. The centre allows us to support students with multiple disabilities and the high demand from potential students, their families, and social workers has vindicated our move. The centre has space for approximately 40 students per day and we have averaged 90% capacity in 2022/23, allowing us to support close to 70 students for an average of 2.5 days per student. Plans are in place to continue to expand our number of students and explore how we may use the centre as a base for in-community provision.

In May, to celebrate our new centre and showcase our students' work in our creative & performing arts curriculum, PiP hosted a number of performances with audiences formed of families, carers, friends, funders, and local partners.

In July, with our community partner British Land, we had a second summer Fruitful residency at Paddington Central. Every week our students passed out free smoothies, orange juice, and fruit to the community. The events provided a wonderful learning experience for our students alongside part-time employment.

PiP aims to maintain a term calendar that mirrors those common in schools and colleges to support student transition from formal education and provide windows for family holidays that do not disrupt sessions. We refer to these three periods, in April, August, and October as our Spring, Summer, and Autumn Leisure Programmes. These leisure programmes see PiP adopt a more casual timetable with more focus on special events and trips. August 2022 was our largest leisure programme yet with football events, dance classes and student crafting.

Our weekly Cabaret sessions build every year towards putting on a new Pantomime. With the 2020 & 2021 shows cancelled due to the COVID-19 pandemic our students welcomed the opportunity to re-start a much enjoyed part of PiP's programme. This year's show, Harry & the Glass, was conceived, written, and performed by PiP students. Audience feedback was very positive and in 2023 we plan to perform the show multiple times including to local schools to better showcase our work to our community.

2022-23 saw a renewed focus by PiP on student employment in response to student feedback. PiP allocates significant resource to securing placements and part-time employment with our community partners. January 2023 saw multiple students have placements at British Land's Paddington Central site. We're grateful for their continued support and in 2023-24 we can already see outcomes from this work with some students who were involved in the placements now securing part-time work.

FUNDRAISING

2022-23 saw a significant transition in our fundraising team as both members of our team progressed to opportunities with PiP community partners. Our new Head of Fundraising & Communications joined in January 2023. This transition period resulted in a drop in voluntary income which was balanced by increased student income in the year.

During the 2022-23 financial year we were delighted to secure income from a number of foundations including City Bridge Trust alongside continued support from Bowmark Capital, John Lyon's and The National Lottery Community Fund.

Our new fundraising strategy, presented at our June board, will see PiP place greater focus on fundraising to support the growth and diversification of our delivery.

FINANCIAL REVIEW

Total income decreased by 7% to £1,353,051 (2021-22: £1,456,326). This was mainly due to a reduction in voluntary income, generated by donations and fundraising which decreased by 37% to £367,718 (2021-22: £582,562) entirely due to the end of funding for the move to our new home. We are pleased to report that having settled into the new premises, we have seen remarkable increase in student activity resulting in significant income from charitable activities of £982,256, an increase of 13% from last year (2021-22: £872,966). This is primarily student income from local authorities who have continued to support PiP enabling us to now run a fully in-person programme of digital and classroom learning, welfare support and wellbeing sessions throughout the year.

Total expenditure has increased by 10% to £1,340,468 (2021-22: £1,214,339) due to the revenue expenses related to the new centre, in addition to the ongoing in-person provision at the centre for normal PiP student activities and residual W9 expenses.

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TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The surplus for the year of £12,583 (2021-22: £241,987) is lower this year than last year mainly due to the depreciation of the assets purchased and leasehold improvements relating to the move to the new premises that were capitalised last year to be depreciated over the period of the lease despite all the income having been recognised in that financial year. This is held in a designated fixed assets reserve of £374,875 (2021-22: £461,435) representing the net book value of the charity's fixed assets. Excluding the non-cash depreciation charge PiP's surplus was £138,383.

As at 31 March 2023, PiP held general unrestricted reserves of £482,382 (2021-22: £407,828) and unrestricted designated reserves (as mentioned above) of £374,875 (2021-22: £461,435). At that date PiP held £136,453 (2021-22: £111,864) in restricted reserves.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Pursuing Independent Paths (PiP) is a charitable company limited by guarantee governed by its Memorandum and Articles of Association dated 9 November 2000 as amended on 25 September 2015. It is registered as a charity with the Charity Commission. PiP was established in 1984 as a charitable trust (originally called the Paddington Integration Project). It changed its name on incorporation to indicate its activities were no longer solely based in Paddington.

Directors and trustees

The directors of the charitable company (charity) are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

Trustees

Mark Barrie
Patrick Brown – Appointed 29 May 2023
Terri Cash – Appointed 6 December 2022
Theresa Ekendu – Appointed 29 May 2023
Tilly Lang
John Leach (Chair)
Daniel Wakerley
Judith Wilcox

Chief Executive

Denise Largin

None of the trustees have any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Appointment of trustees

Unless otherwise determined by a General Meeting the number of trustees shall be no less than three and a maximum of fifteen. In accordance with the Articles of Association, trustees are appointed at a General Meeting for a term of three years with the possibility of being renewed for a further three years.

Trustee induction and training

New trustees undergo induction to brief them on their legal obligations under charity and company law and the Charity Commission guidance on public benefit and inform them of the content of the Memorandum and Articles of Association, decision making processes, the strategic plan and PiP's recent financial performance. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The Board normally meets four to five times a year and trustees are responsible for setting and monitoring the strategic direction, managing and supporting the Chief Executive and ensuring that the charity meets its charitable objectives by using the best possible practice and financial prudence. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters.

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TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

Remuneration policy for senior staff

The trustees consider that the Board of trustees, the Chief Executive, the Head of Fundraising and Communications, the Service Manager and the Financial Controller comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis.

All trustees give of their time freely and no trustee received remuneration in the year.

The base salaries of the Chief Executive and Senior Management Team are reviewed every three years (or sooner in exceptional circumstances) with the review taking into account benchmark data.

Public benefit

The trustees have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

The trustees have considered the objectives and activities, together with the achievements and performance, reported separately and have concluded that:

- The aims of the organisation continue to be charitable; and
- The aims and the work done give identifiable benefits to the charitable sector and both directly and indirectly to individuals in need; and
- The benefits are for the public and not unreasonably restricted in any way and certainly not by ability to pay; and
- There is no detriment or harm arising from the aims or activities.

KEY RISKS AND UNCERTAINTIES

PIP has a detailed risk register which is updated and reviewed by the Board semi-annually (or more frequently if appropriate). Risks are scored on impact and likelihood before and after identified mitigating actions and movements tracked from one period to the next. As at end of March 2023 the main risks identified by our board are below with our primary mitigation:

- **Delays and costs involved in relinquishing the lease on our previous main base** - we are being advised by leading legal, real estate services and surveying firms and have made appropriate provisions for potential costs.
- **Departure of staff leading to difficulties in maintaining a high quality service** - We have recently implemented a new organisation structure which is designed to offer both development and progression opportunities to staff and we have benchmarked these roles' salaries to offer market rates of remuneration.
- **Changes in funding arrangements via local authorities** - We maintain close working relationships with the relevant local authority teams. We have also worked hard to diversify our income streams including from new local authority services, corporates, trusts & foundations and our social enterprise.
- **Impact of high levels of inflation on our cost base** - The move to a larger building should allow us to accommodate more students without a proportionate increase in fixed costs which is expected to provide some protection against escalating costs. Our policy on unrestricted reserves (which we met in the year 22/23 financial year) is also designed to provide some mitigation against expenditure rising faster than income.

We continue to monitor and liaise closely with local authorities on any recurrence of COVID-19 or similar health risk which could require a return to the programme of remote delivery that we successfully implemented in 20-22.

PLANS FOR FUTURE PERIODS

Summer 2023-24 has seen PiP adopt and embed a new staff structure with the organisation investing nearly £200K in new roles across our organisation structure. Following our successful pilot of a co-ordinator for our employment curriculum we have applied this model to our three remaining curriculum areas, hiring co-ordinators for Health & Wellbeing; Independent Living Skills; and Creative & Performing Arts. Alongside these roles we will hire a new events officer to manage our new community events programme and support our operational team in planning student trips and leisure programme.

October 2023 will see PiP launch our new Gig Buddies: Central scheme pairing adults with learning disabilities with volunteers who share the same cultural tastes so they may attend mainstream events as friends. We have secured a minimum of 2 years of funding

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TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

for this scheme and will be identifying PiP students and members of our community in West & Central London who wish to join in during 2023-24.

October 2023 will see the 40th anniversary of PiP's founding and we will be launching several events over the coming 12 months to celebrate this milestone with students, families and community partners.

Across 2023-24 PiP will be reviewing our social enterprise, Fruitful, to deliver an optimum operating model for both students and PiP's staffing resources. This new model will aim to reflect post-pandemic hybrid working practices where bookings by offices are less likely. Alongside this, Fruitful development work will begin on our second social enterprise with an ambition to launch in Spring 2024.

As PiP has grown in student numbers and breadth of sessions delivered, our ambition has been to update our monitoring system. Our current system still enables us to discuss progress with students, families and carers, and social services, and to tailor individual programmes to meet their needs. However, we are keen to do more to be able to articulate our impact on students and our community in a more detailed manner and work is under way to define what this would entail.

In 2024-25 we expect fundraising revenue to be significantly higher than in 2022-23. This increase in revenues, we forecast, will require an increase in fundraising team staff numbers. It is expected the structure of this expanded fundraising team will be confirmed by Dec 2023 to be in place early FY2024-25.

RESERVES POLICY AND GOING CONCERN

The trustees review PiP's reserves policy annually, balancing the need to hold back sufficient general reserves to protect its charitable objectives with the objective of maximising the funding available for those activities.

The trustees have agreed the policy that general reserves should comprise two elements:

- A working capital reserve equal to three months' average student income for the year. The requirement for 31 March 2023 is £245,564 (2021-22: £218,242)
- An income shortfall reserve of 15% of total standard service income. The requirement for 31 March 2023 is £202,958 (2021-22: £218,449)

The general reserves requirement for the current year is therefore £448,522 in total (2021-22: £436,691). General unrestricted reserves levels (excluding designated funds) are £482,382 (2021-22: £407,828). This indicates an increase of £33,860 (2021-22 £28,862 shortfall) which is above the policy level and shows an improvement from the last financial year.

STATEMENT AS TO DISCLOSURE TO THE AUDITOR

Each trustee has confirmed that in so far as they are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware, and
- each trustee, having made enquiries of fellow trustees and the auditor, has taken all steps that he/she is obliged to take as a trustee in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the board of trustees

John Leach

John Leach (Chair)

Date:

21 Sep 2023

PURSuing INDEPENDENT PATHS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2023

The trustees, who are also the directors of Pursuing Independent Paths for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

PURSuing INDEPENDENT PATHS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PURSUING INDEPENDENT PATHS

Opinion

We have audited the financial statements of Pursuing Independent Paths (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

PURSUING INDEPENDENT PATHS

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PURSUING INDEPENDENT PATHS

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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.

As part of our planning process:

- We enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the charity. We determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011, Companies Act 2006.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

PURSUING INDEPENDENT PATHS

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PURSUING INDEPENDENT PATHS

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management, and the conclusion that there are no significant accounting estimates.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key income lines, in particular cut-off, for evidence of management bias.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted, designated and restricted funds.
- Performing a physical verification of key assets.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the charity board minutes and correspondence with solicitors, for discussions of irregularities including fraud.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

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

Use of our report

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

Andrew Rich
Andrew Rich (Senior Statutory Auditor)
for and on behalf of HW Fisher LLP

Chartered Accountants
Statutory Auditor
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

21 Sep 2023

PURSUING INDEPENDENT PATHS

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023

Current financial year

		Unrestricted funds	Unrestricted Designated funds	Restricted funds	Total	Total
		general	designated			
		2023	2023	2023	2023	2022
	Notes	£	£	£	£	£
Income from:						
Donations and legacies	3	114,895	-	252,823	367,718	582,562
Income from charitable activities	4	982,256	-	-	982,256	872,966
Investments	5	3,077	-	-	3,077	798
Total income		1,100,228	-	252,823	1,353,051	1,456,326
Expenditure on:						
Raising funds	6	89,557	-	-	89,557	81,180
Charitable activities	7	934,116	125,800	190,995	1,250,911	1,119,009
Other expenditure	11	-	-	-	-	14,150
Total resources expended		1,023,673	125,800	190,995	1,340,468	1,214,339
Net incoming resources before transfers		76,555	(125,800)	61,828	12,583	241,987
Gross transfers between funds	17	(2,001)	39,240	(37,239)	-	-
Net income for the year/ Net movement in funds		74,554	(86,560)	24,589	12,583	241,987
Fund balances at 1 April 2022		407,828	461,435	111,864	981,127	739,140
Fund balances at 31 March 2023		482,382	374,875	136,453	993,710	981,127

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

PURSUING INDEPENDENT PATHS

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

Prior financial year

		Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes				
Income from:					
Donations and legacies	3	112,402	-	470,160	582,562
Income from charitable activities	4	872,966	-	-	872,966
Investments	5	798	-	-	798
Total income		986,166	-	470,160	1,456,326
Expenditure on:					
Raising funds	6	81,180	-	-	81,180
Charitable activities	7	449,472	-	669,537	1,119,009
Other expenditure	11	14,150	-	-	14,150
Total resources expended		544,802	-	669,537	1,214,339
Net incoming resources before transfers		441,364	-	(199,377)	241,987
Gross transfers between funds		(461,435)	461,435	-	-
Net income for the year/ Net movement in funds		(20,071)	461,435	(199,377)	241,987
Fund balances at 1 April 2021		427,899	-	311,241	739,140
Fund balances at 31 March 2022		407,828	461,435	111,864	981,127

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

PURSUING INDEPENDENT PATHS

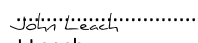
BALANCE SHEET

AS AT 31 MARCH 2023

		2023		2022 as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12		374,875		461,435
Current assets					
Debtors	13	131,682		113,589	
Cash at bank and in hand		882,419		842,535	
		<u>1,014,101</u>		<u>956,124</u>	
Creditors: amounts falling due within one year	14	<u>(192,792)</u>		<u>(235,114)</u>	
Net current assets			821,309		721,010
Total assets less current liabilities			1,196,184		1,182,445
Provisions for liabilities					
Provisions	15	<u>202,474</u>	<u>(202,474)</u>	<u>201,318</u>	<u>(201,318)</u>
Net assets			<u>993,710</u>		<u>981,127</u>
Income funds					
Restricted funds	16		136,453		111,864
Unrestricted funds - designated	17		374,875		461,435
Unrestricted funds - general			482,382		407,828
			<u>993,710</u>		<u>981,127</u>

21 Sep 2023

The financial statements were approved by the Trustees on


J Leach
Trustee

Company Registration No. 04107226

Charity Registration No. 1088592

PURSUING INDEPENDENT PATHS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	21		76,047		446,375
Investing activities					
Purchase of tangible fixed assets		(39,240)		(462,685)	
Investment income received		3,077		798	
Net cash used in investing activities			(36,163)		(461,887)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			39,884		(15,512)
Cash and cash equivalents at beginning of year			842,535		858,047
Cash and cash equivalents at end of year			882,419		842,535

PURSUING INDEPENDENT PATHS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Pursuing Independent Paths is a private company limited by guarantee incorporated in England and Wales. The registered office is 306 Kensal Road, London, W10 5BE, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Designated funds are subject to specific conditions for use, as set by the trustees.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

PURSUING INDEPENDENT PATHS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 Resources expended

Liabilities are recognised as expenditure once there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

Direct charitable expenditure comprises all the expenditure relating to the activities carried out to achieve the charitable objective.

Support costs represent costs that cannot be directly attributed to activities.

Governance costs include the costs of statutory audit and other costs related to the governance of the charity.

Support and governance costs have been allocated to the single charitable activity "Supporting Adults with Learning Difficulties".

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

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

Leasehold improvements	Straight line over remaining period of the lease
Furniture and equipment	Straight line over 3 years

Expenditure for furniture and equipment which exceeds £500 is capitalised.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Financial instruments

The charity has elected to apply the provisions of Section 11 'These Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

1.8 Provisions

Provisions, being liabilities of uncertain timing and amount, are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

Trustees do not believe there to be any critical estimates or judgements in the financial statements.

PURSUING INDEPENDENT PATHS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Donations and legacies

	Unrestricted funds general 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	114,895	252,823	367,718	112,402	470,160	582,562

4 Income from charitable activities

	Supporting Adults with learning difficulties 2023 £	Supporting Adults with learning difficulties 2022 £
Special projects	24,565	29,893
Local authority personal budgets	957,691	843,073
	982,256	872,966

5 Investments

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Interest receivable	3,077	798

6 Raising funds

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
<u>Costs of generating voluntary income</u>		
Other fundraising costs	24,237	22,439
Staff costs	65,320	58,741
Costs of generating voluntary income	89,557	81,180

PURSUING INDEPENDENT PATHS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7 Charitable activities

	Ongoing services 2023 £	Service development 2023 £	Total 2023 £	Ongoing services 2022 £	Service development 2022 £	Total 2022 £
Staff costs	522,556	72,577	595,133	469,923	81,287	551,210
Depreciation and impairment	110,704	5,032	115,736	14,768	961	15,729
Rent, utilities & rates	164,372	7,472	171,844	218,063	11,452	229,515
Recruitment & Training	23,814	3,656	27,470	6,594	916	7,510
Activities & Events	64,691	-	64,691	33,163	-	33,163
Business Development Staffing	-	23,400	23,400	-	20,600	20,600
Travel	12,518	560	13,078	9,409	412	9,821
Repairs & renewals	11,253	29,483	40,736	9,047	46,926	55,973
Cleaning	15,028	683	15,711	13,609	619	14,228
Mobile & Telephone	12,305	559	12,864	9,276	422	9,698
Computer Expenses	12,977	590	13,567	16,932	4,415	21,347
Office Equipment	2,478	113	2,591	6,223	1,481	7,704
Insurance	7,663	-	7,663	6,513	818	7,331
Books, stationary & postage	2,939	134	3,073	1,773	80	1,853
Equipment Lease	2,355	107	2,462	2,607	118	2,725
Sundry Expenses	3,610	162	3,772	3,918	177	4,095
	969,263	144,528	1,113,791	821,818	170,684	992,502
Share of support costs (see note 8)	95,138	-	95,138	100,223	-	100,223
Share of governance costs (see note 8)	41,982	-	41,982	26,284	-	26,284
	1,106,383	144,528	1,250,911	948,325	170,684	1,119,009
Analysis by fund						
Unrestricted funds - general	823,592	110,524	934,116	360,075	89,397	449,472
Unrestricted funds - designated	120,768	5,032	125,800	-	-	-
Restricted funds	162,023	28,972	190,995	588,250	81,287	669,537
	1,106,383	144,528	1,250,911	948,325	170,684	1,119,009

PURSUING INDEPENDENT PATHS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	50,805	14,515	65,320	45,688	13,053	58,741
Depreciation	10,064	-	10,064	1,923	-	1,923
Rent, utilities & rates	14,943	-	14,943	19,824	-	19,824
Recruitment & training	2,315	662	2,977	641	183	824
Travel	1,121	-	1,121	825	-	825
Repairs & renewals	1,023	-	1,023	822	-	822
Centre expenses	1,366	-	1,366	1,237	-	1,237
Insurance	697	-	697	843	-	843
Legal and professional	7,140	-	7,140	12,501	-	12,501
Other	5,664	265	5,929	15,919	-	15,919
Audit fees	-	20,456	20,456	-	13,048	13,048
Accountancy	-	6,084	6,084	-	-	-
	<u>95,138</u>	<u>41,982</u>	<u>137,120</u>	<u>100,223</u>	<u>26,284</u>	<u>126,507</u>
Analysed between						
Charitable activities	<u>95,138</u>	<u>41,982</u>	<u>137,120</u>	<u>100,223</u>	<u>26,284</u>	<u>126,507</u>

Governance costs include payments to the auditors of £20,456 (2021: £13,048) for audit fees, accountancy fees include £6,084 (2021: nil) in relation to other services provided by the auditors.

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity in the current or prior year. No trustees were reimbursed any expenses during the current or prior year.

PURSUING INDEPENDENT PATHS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Supporting people with learning difficulties	29	26

Employment costs

	2023 £	2022 £
Wages and salaries	668,169	612,620
Social security costs	41,750	39,905
Other pension costs	15,854	16,167
	725,773	668,692

Remuneration paid to key management personnel in the year totalled £188,332 (2022: £223,427).

The number of employees whose annual emoluments £60,000 or more were:

	2023 Number	2022 Number
£70,000 - £79,999	1	1

11 Other expenditure

	Total	Unrestricted funds
	2023 £	2022 £
Loss on disposal of tangible fixed assets	-	14,150

PURSUING INDEPENDENT PATHS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Tangible fixed assets

	Leasehold improvements	Furniture and equipment	Total
	£	£	£
Cost			
At 1 April 2022	396,079	83,367	479,446
Additions	37,239	2,001	39,240
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2023	433,318	85,368	518,686
	<u> </u>	<u> </u>	<u> </u>
Depreciation and impairment			
At 1 April 2022	7,766	10,245	18,011
Depreciation charged in the year	97,955	27,845	125,800
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2023	105,721	38,090	143,811
	<u> </u>	<u> </u>	<u> </u>
Carrying amount			
At 31 March 2023	327,597	47,278	374,875
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2022	388,313	73,122	461,435
	<u> </u>	<u> </u>	<u> </u>

13 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Other debtors	84,671	90,370
Prepayments and accrued income	47,011	23,219
	<u> </u>	<u> </u>
	131,682	113,589
	<u> </u>	<u> </u>

Within Other Debtors are amounts due after more than one year of £78,375 (2022: £78,375).

14 Creditors: amounts falling due within one year

	2023	2022
	£	as restated £
Other creditors	26,452	27,021
Accruals and deferred income	166,340	208,093
	<u> </u>	<u> </u>
	192,792	235,114
	<u> </u>	<u> </u>

PURSUING INDEPENDENT PATHS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

15	Provisions for liabilities	2023 £	2022 as restated £
	Lease of old premises no longer required	202,474	201,318
	Movements on provisions:		
			Lease of old premises no longer required £
	At 1 April 2022		201,318
	Additional provisions in the year		1,156
	At 31 March 2023		202,474

The comparative figures for the creditors due within one year have been re-stated, to reclassify a provision for the remaining costs of a lease which is no longer required, previously shown in accruals, to provision for liabilities. The provision comprises the outstanding rental costs, up to the end of the lease, and remedial works to the property to bring the building back in line with the commencement of the lease.

PURSUING INDEPENDENT PATHS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2021 £	Movement in funds		Balance at 1 April 2022 £	Movement in funds		Transfers £	Balance at 31 March 2023 £
		Incoming resources £	Resources expended £		Incoming resources £	Resources expended £		
John Lyons	-	18,750	(18,750)	-	25,000	(25,000)	-	-
Beanstalk (W10 programme)	311,241	250,123	(449,500)	111,864	90,800	(28,972)	(37,239)	136,453
Landsec	-	14,500	(14,500)	-	14,500	(14,500)	-	-
MDT/PDT	-	9,689	(9,689)	-	9,689	(9,689)	-	-
BLF	-	80,000	(80,000)	-	50,089	(50,089)	-	-
Barclays	-	31,250	(31,250)	-	43,750	(43,750)	-	-
GLA	-	-	-	-	10,000	(10,000)	-	-
City Bridge	-	6,333	(6,333)	-	-	-	-	-
#i Will	-	5,000	(5,000)	-	-	-	-	-
Bailey Thomas	-	5,986	(5,986)	-	-	-	-	-
WCC Comm Contribution	-	7,500	(7,500)	-	-	-	-	-
Westminster	-	6,067	(6,067)	-	-	-	-	-
Groundwork London	-	7,500	(7,500)	-	-	-	-	-
LCRF Wave3	-	15,000	(15,000)	-	-	-	-	-
Other	-	12,462	(12,462)	-	8,995	(8,995)	-	-
	311,241	470,160	(669,537)	111,864	252,823	(190,995)	(37,239)	136,453

PURSuing INDEPENDENT PATHS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

16	Restricted funds	(Continued)
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John Lyons charity - A grant towards training and employability services.

Beanstalk W10 (expansion programme) - This is an initiative designed to broaden the range of services and number of students reached by PIP.

London Community (Landsec) - A grant restricted for Fruitful and Employment Group activities.

MDT/PDT - A grant to support the Employment Group activities.

BLF - Revenue grant to support additional costs with regards to the expansion programme.

Bardclays - Revenue grant to support additional costs with regards to the expansion programme.

GLA - A grant for sports sessions.

PURSuing INDEPENDENT PATHS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2021 £	Transfers £	Balance at 1 April 2022 £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Fixed asset fund	-	461,435	461,435	(125,800)	39,240	374,875
	<u>-</u>	<u>461,435</u>	<u>461,435</u>	<u>(125,800)</u>	<u>39,240</u>	<u>374,875</u>
	<u>-</u>	<u>461,435</u>	<u>461,435</u>	<u>(125,800)</u>	<u>39,240</u>	<u>374,875</u>

The charity made the decision in the prior year to create a designated fund which represents the net book value of fixed assets at the year end.

PURSuing INDEPENDENT PATHS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

18	Analysis of net assets between funds	Unrestricted funds		Designated funds		Restricted funds		Total		Unrestricted funds		Designated funds		Restricted funds		Total	
		2023	£	2023	£	2023	£	2023	£	2022	£	2022	£	2022	£	2022	£
	Fund balances at 31 March 2023 are represented by:																
	Tangible assets		-	374,875		-		374,875			-	461,435		-		461,435	
	Current assets/(liabilities)	684,856		-		136,453		821,309		609,146		-		111,864		721,010	
	Provisions	(202,474)		-		-		(202,474)		(201,318)		-		-		(201,318)	
		482,382		374,875		136,453		993,710		407,828		461,435		111,864		981,127	

PURSUING INDEPENDENT PATHS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

19 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	164,670	165,006
Between two and five years	306,670	478,674
	<u>471,340</u>	<u>643,680</u>

20 Related party transactions

There were no related party transactions during the year (2022: none).

21 Cash generated from operations

	2023 £	2022 £
Surplus for the year	12,583	241,987
Adjustments for:		
Investment income recognised in statement of financial activities	(3,077)	(798)
(Gain)/loss on disposal of tangible fixed assets	-	14,150
Depreciation and impairment of tangible fixed assets	125,800	17,652
Movements in working capital:		
(Increase)/decrease in debtors	(18,093)	8,064
(Decrease)/increase in creditors	(42,322)	114,431
Increase in provisions	1,156	50,889
Cash generated from operations	<u>76,047</u>	<u>446,375</u>

22 Analysis of changes in net funds

The charity had no debt during the year.