

UBUNTU PATHWAYS
A COMPANY LIMITED BY GUARANTEE

Company No. 05064084
Charity Registration No. 1103749

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

CONTENTS

Company Information	1
Trustees' Report	2 - 7
Auditors' Report	8 - 10
Statement of Financial Activities	11
Balance Sheet	12
Statement of Cash Flows	13
Notes to the Accounts	14 - 21

COMPANY INFORMATION

Board of Trustees

J Lief
Dr F Lipman
A Rolfe
D Osorio
R McCloy
M Gwaxula
Z Ntshona
W Voge
P Eapen
S Goldman
D Shainfeld
N Drago
A Fass
C Cowie
L Bennetts
B Jacobson (appointed 7 December 2023)
L Zingitwa (appointed 7 December 2023)
Z Zingela (appointed 1 July 2024)
C van Loggerenberg (appointed 1 July 2024)
U Jonas (resigned 16 April 2024)

Company Secretary

Z Ntshona

Key Management Personnel

B Honig (Director, UK)

Bankers

HSBC
240 Lavender Hill
Battersea
SW11 1LH

Auditors

Goldwins Limited
75 Maygrove Road
West Hampstead
London NW6 2EG

Registered Office

7 Cavendish Square
London
W1G 0PE

TRUSTEES' REPORT

The Board submits its report and the accounts for the year ended 30 June 2024.

Status

The charity is a company limited by guarantee and was incorporated on 4 March 2004 with registration number 05064084. It is a registered charity, number 1103749. The financial statements are prepared in accordance with the Companies Act 2006 and the Statement of Recommended Practice on Accounting and Reporting by Charities (SORP FRS102). Further reference and administrative details are given on page 1.

Ubuntu Pathways is affiliated to both Ubuntu Pathways NPC, South Africa and to Ubuntu Pathways Inc, US. Ubuntu School NPC oversees all the South Africa operations including Ubuntu School NPC, Ubuntu Investment Holdings and Ubuntu X.

Objects and Activities

The object of Ubuntu Pathways UK is to raise funds for and support the charitable work of Ubuntu Pathways in South Africa. Ubuntu Pathways in South Africa aims to place orphaned and vulnerable children and their families affected by HIV/AIDS, abuse and the legacy of apartheid in Port Elizabeth on a pathway out of poverty from cradle to career. Since our inception in 1999, Ubuntu has grown into a thriving community institution in the heart of Gqeberha's (previously known as Port Elizabeth) townships as well as a global model for poverty alleviation. We have been recognised by the likes of the World Economic Forum, Clinton Global Initiative, our Patron the late Archbishop Desmond Tutu and The Wharton School.

Structure, Governance and Management

The Trustees are governed by the company's Memorandum and Articles of Association.

The Board has the power to appoint additional trustees as it considers fit to do so, and delegates the responsibility for the day-to-day operations to the CEO/President and the Senior Leadership Team.

The Board of Trustees meets as a body four times a year or more regularly if circumstances require further business to be discussed.

New Trustees join the Board at invitation and are chosen with a view to ensuring an appropriate balance of individuals whose skills can make a valid contribution to the operation of the charity. All the Directors of the charity are also Trustees of the charity and there are no other Trustees. New Trustees are provided with a welcome pack and given a full briefing regarding the charity's operations.

The Trustees are also the Directors for Companies Act purposes.

The Charity is affiliated with Ubuntu Pathways NPC in South Africa and Ubuntu Pathways, Inc in the US. The Charity in the UK and the charity in the US both raise funds for Ubuntu Pathways in South Africa. The Trustees of the UK Charity are trustees of the other two charities as well although the other two charities do have some additional trustees. The Board meets to discuss all three charities. Although Ubuntu has separate entities, it functions as one global entity. The group CEO oversees operations of all three charities although day-to-day operations for the UK are the responsibility of the Director, UK, under the supervision of the CERO (Chief External Relations Officer) who oversees Ubuntu's fundraising department. The Director, UK is not a Director of the company for Companies Act purposes.

Board of Trustees

The Trustees who served during the year are listed on page 1.

Key Management

The key management is the Director, UK (who is not a Director for Companies Act purposes). Remuneration of all employees is reviewed annually by the group's management with regard to market rates, inflation and affordability.

Investment Powers

Investment powers are governed by the Memorandum and Articles of Association last amended on 13 August 2013. There are no restrictions to the charity's absolute powers of investment.

Risk Management

The organisation regularly reviews its procedures to minimise risk to its assets and income and to ensure that, where risks are identified, procedures are in place to alleviate them as far as possible. As a donor-reliant operation, Ubuntu's principal risk concerns the current uncertain economic climate for funding.

Public Benefit

The Trustees acknowledge the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance on public benefit. We have referred to this guidance when reviewing our aims and strategy and in planning future activities. All activities undertaken by Ubuntu Pathways are for the public benefit.

Ubuntu Pathways exists to support the charitable work of Ubuntu Pathways in South Africa which was founded in 1999 with the goal of transforming the lives of children living in the townships of Gqeberha, South Africa. Early in our inception the organisation recognised that a traditional development model would not have the capacity to address the complex challenges facing this community. In response, Ubuntu has spent the last two decades building a context-driven community institution that conceptualises impact through sustained support and increased access to resources and opportunities. This approach prioritises deepening programme intervention within a given community to create genuine and lasting change.

Ubuntu's strategy is to craft an individual pathway out of poverty for orphaned and vulnerable children, all of whom are affected by HIV/AIDS and many of whom are living with HIV. We know that real change can happen only through dynamic and comprehensive services. We work with children at all stages up to adulthood. Whether it is a pair of glasses or intensive family counselling, tutoring or a creative outlet in which to escape or medical help - Ubuntu helps children and their families get what they need. To this end, our programmes focus deeply on health, education and household stability. Each of these depends on the others. Each initiative addresses the needs of an entire household. Ubuntu recognises that, without healthy caregivers, children find themselves in a situation where they have to secure their own food, care for a younger sibling or drop out of school to care for sick parents. Ubuntu's interventions enable caregivers to effectively care for the children in their households. Therefore, many of the services that we provide to children are closely intertwined with similar or complementary services that we provide to the rest of their family.

Review of Activities

Main Business and Operations Globally

Over the past 25 years, the Ubuntu Pathways team has honed our ability to provide efficient, effective interventions adapted to our community's evolving needs. What began as a fortuitous meeting between two strangers in 1998 has grown into an internationally-recognised blueprint for community transformation. Ubuntu Pathways has redefined mainstream development models by focusing on the depth rather than breadth of our impact on a community of 400,000. We believe in trusting those closest to the problem to create the solution. Over the past 25 years, we have developed an integrated system of education, health and household support, from cradle to career. The Ubuntu Model establishes a foundation for lasting impact.

By trusting those closest to the problem to design the solution, we have developed an integrated system of education, health and household support, from cradle to career. We have spent almost two decades professionalising our grassroots service delivery model. We have hired and trained local talent, invested in the state-of-the-art Ubuntu Centre which has now become the Ubuntu Campus - a sprawling facility in the heart of the townships that serves over 300 people per day - and funded this growth through the work of external relations teams across three continents. In this way, Ubuntu's journey has been intricately shaped by the unique backgrounds of our founders: powering local expertise with global resources, we have created unprecedented impact.

Programme Milestones

The Ubuntu Early Childhood Development (ECD) Model is designed to create a safe, stable environment while allowing students to hone their social emotional skills. In order to advance and reach their highest potential, our ECD graduates need continued high-quality education in a safe environment. To deliver on this need, we established the Ubuntu School. The Ubuntu School's approach is unique and innovative. While we provide each student with a strong academic foundation, we also provide the extracurricular, health, and household stability support necessary for children to thrive both in and out of the classroom. Through this integrated support system, every child has the resources she needs to build a healthy and financially stable future.

In FY24, both the early childhood development programme and the Ubuntu School maintained a 90% and greater average monthly attendance rate. This consistently excellent attendance rate signifies student and family buy-in and commitment to the school. The Ubuntu School continued to emphasise both teacher and parent training and development. On average, in FY24, teachers participated in coaching and professional development for 15 hours a month. In order to continue to enhance parents' connection to the school as an institution, we held multiple parent meetings, parent-teacher conferences and conducted home visits. We had an attendance rate for parents' meetings of over 92% in ECD and 89% at the school. Parents are engaged and they truly value the time each caregiver has to discuss their child. Additionally, in a parent survey, over 90% of our parent community responded that they felt the academics provided are "great" and over 95% of our parent community reported that they were "extremely happy" with their child's experience.

In December 2023, 100% of the ECD 4's class graduated having achieved the necessary developmental milestones to move on to primary school in January 2024. We kicked off the 2024 school year at the Ubuntu School with some exciting STEAM developments. Ubuntu hired a Science, Technology, Engineering, Arts and Maths (STEAM) teacher, Eric Hodana, who has helped us incorporate coding, 3D printing and circuit building into the school curriculum. Students are thriving with these new skills.

Ubuntu's Job Skills Training (JST) Programme is our job-readiness course that prepares non-university tracked youth to attain and sustain employment. Our world-class vocational training centre features classrooms, a technology wing, small business simulation and training workspaces and counselling rooms. Utilising these facilities, we implement targeted, market-driven training from culinary arts to coding. In FY24, 493 candidates participated in the programme and 174 were placed in employment. Data has shown that young people have a greater chance of staying employed for the rest of their lives if they can retain their first jobs for 12 months or more. However, poverty-related problems, including substance abuse, childcare, transportation, housing and physical and mental health issues stand as obstacles to this milestone for many youths in Gqeberha's townships. Ubuntu holds a series of retention events that give candidates space to discuss both work and life challenges with their peers. There were

two retention events held during FY24, which each had over 250 candidates in attendance. In FY24, 91% of JST candidates stayed in their roles for 12 months or longer.

Throughout the fiscal year, Ubuntu was steadfast in our commitment to providing our most vulnerable community members with high-quality health care. We continue to play a leading role in our community's battle against HIV by sustaining a 100% Elimination of Mother-to-Child transmission and world-class treatment for all clients living with HIV. We are committed to modelling standards for safe, reliable and high-quality clinical programming. In FY24, we provided over 1,008 health screenings, nutritional support for 1,405 individuals, and over 2,700 case management services. We reached over 30,000 community members with community events and referrals.

External Relations

At the close of FY24, we were on track to raise \$5,578k in overall fundraising, which includes a slight positive variance due to the success of our London and New York galas. The breakdown of projections included: \$942k in donor cultivation, \$1,219k in grants, \$102k in outreach, \$2,595k in events, \$619k in BEE income, and \$101k towards our high school capital campaign.

In addition, we obtained \$237k worth of in-kind gifts reducing costs for Ubuntu.

Furthermore, we continued to develop our newest revenue stream, our B-BBEE strategy. We have developed a business model to leverage B-BBEE opportunities and generate additional income to fund our life-changing work. We have created several for-profit entities: 1) Ubuntu X, which provides procurement, logistics, management consulting services, and comprehensive YES4Youth Programme facilitation to corporate South Africa; 2) Investment Holdings, which provides a range of B-BBEE ownership partnerships to corporates; 3) Ubuntu Human Capital, which is a multi-SETA accredited skills development provider. We help learners gain the skills they need to achieve sustainable employment; 4) SASOW Events Services, which is a female controlled Level 1 B-BBEE corporate event planning partner; and 5) Econogas, a Level 1 B-BBEE partner providing liquefied petroleum gas (LPG). LPG is a versatile, clean-burning, efficient, widely available and cost-effective fuel alternative.

Human Resources in South Africa

In FY24, the priority for Human Resources was initiatives to enhance employee engagement, promote professional development and ensure the well-being of our staff. This has been critical in maintaining a motivated and high-performing workforce which feeds into delivering on our commitments to the communities we serve.

Training and development of staff has always been top priority for the HR team so with the organisation's long-term objectives in mind we were very deliberate with the type of training approved for the staff. The bulk of the training occurred in the Health and Outreach departments, with a total of 36 different trainings taking place over the course of the year. Once again, the financial health and wealth of our employees was a focus. We hosted workshops on general Financial Wellness as well as Understanding Credit. By providing a comprehensive understanding of finances and credit, employees were empowered to make informed financial decisions, thereby enhancing their overall financial stability and well-being. Additionally, a skills audit was done for the Management and Supervisory teams. This exercise supports both individual development and organisational success. It provides a clear roadmap for training, development and succession planning, ensuring that the organisation is well-prepared for the future.

We saw a steady and positive trajectory of hiring and onboarding in the past year. A total of 67 new employees were hired, 32 of whom were based in the school environment. Our vision, culture, remuneration and benefits all work to keep employees as productive members of our team. The updated HR induction and onboarding process also clearly indicates employee expectations and one's role within the larger organization which, with these expectations communicated we remained within our target <2%, the average for the year being 1.67%. Our Employee Value Proposition outweighs those of similar organisations and many corporates in our geographical area and we continue to enhance our employee offering to ensure longevity in our retention.

Ensuring our staff are assisted with psychosocial support and training is invaluable and is provided for all our staff with regular debrief sessions with our client-facing teams. This allows them to work through the emotional hardships on a personal level, and ultimately equips employees to assist our clients who

are also experiencing their own difficulties. Year-on-year the utilisation of the service has increased with more than a quarter of the staff seeking assistance with the bulk of the counselling being online. In recent months we have discontinued telephonic and online counselling services and now exclusively offer face-to-face counselling which has proven to be highly successful, providing effective and meaningful support to those in need. We also started focusing on the physical aspect of wellness. With swimming's blend of physical, mental and social benefits it makes a powerful activity for personal empowerment. With these benefits in mind, we offered regular swimming lessons for staff.

Our payroll has been 100% accurate and on time every month. Ensuring this accuracy is fundamental to the smooth operation of any organisation, ensuring legal compliance, financial stability, and employee satisfaction. Team morale and team-building activities are crucial for creating a positive, productive and collaborative work environment that ultimately drives success; we therefore encourage departments to participate in their own regular events. The organization is also looking to implement regular company-wide teambuilding events to build onto the Ubuntu culture. As we look ahead, we remain committed to supporting our team and fostering a workplace culture that encourages growth, innovation, and inclusivity.

Continued Progress

From early on in our organisation's history, we decided to prioritise long-term, substantial impact within our community over immediate outputs for a larger number of people. Therefore, for over 25 years we've invested in local leadership and pioneered a model of development that is designed for the community and by the community. The result is a lasting institution creating generational change. As we celebrate our 25th anniversary, it is time for a bold vision for Ubuntu's next 25 years. We will complete our academic pathway and pave the way for Ubuntu to be a national hub of innovation, healthcare and education. We will deepen our reliability on renewable resources, strengthen our B-BBEE activities and grow our endowment funds to mitigate risks to our reliance on philanthropy. We will also expand our campus and empower new levels of leadership to enable business continuity. These initiatives will contribute to Ubuntu's overall mission of building a lasting institution that can combat and eventually overcome systemic poverty in Gqeberha's townships.

UK Financial Review and Reserves

This year, we held another successful gala and our income for the year was £1,290k (2023: £1,428k). This was against fundraising objectives set of £1,265k (£902k). We thank all our donors for their incredible support.

Expenditure was £1,233k (2023: £1,364k). Of these costs, £761k (2023: £976k) represents income that was either donated to our other offices directly or transferred to our South African office to support its charitable work.

Reserves are £429k (2023: £372k) at the year-end and of these £389k (2023: £372k) are unrestricted. As the main fundraising is towards the end of the financial year, the UK holds reserves to meet staff, gala and other costs that will be due in the earlier months of the following year.

Donations to support the charitable work of Ubuntu Pathways in South Africa

As stated above, the charity's object is to raise funds for, and support the charitable work of, Ubuntu Pathways in South Africa. Our policy is therefore to transfer funds to Ubuntu Pathways in South Africa. During the year, net donations of £571k (2023: £721k) were made to Ubuntu Pathways in South Africa in support of its charitable work.

Statement of Trustees' Responsibilities

The Trustees (who are also the Directors of Ubuntu Pathways for the purposes of company law) are responsible for preparing the Trustees' Annual 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 charitable company and of the incoming resources and application of resources, including the income or expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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

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

Statement as to Disclosure of Information to Auditors

Each of the persons who are directors at the time when this report is approved confirms that:

- as far as each director is aware, there is no relevant audit information of which the auditor is unaware; and
- to the best of their knowledge and belief, each director has taken all of the steps that ought to have reasonably been taken as a director, including making appropriate enquiries of fellow directors and of the charity's auditor for that purpose, in order to make themselves aware of any relevant audit information needed by the company's auditor in connection with preparing their report, and to establish that the company's auditor is aware of that information.

Auditors

Goldwins Limited were appointed as auditors this year. They have expressed a willingness to continue in office. A resolution to reappoint them will be proposed at the Annual General Meeting.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006, was approved by the Trustees on **24 January** 2025 and signed on their behalf by:



J Lief
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF UBUNTU PATHWAYS

We have audited the financial statements of Ubuntu Pathways for the year ended 30 June 2024 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities SORP 2015.

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.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2024 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 and the Charities SORP 2015.

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Trustees' report including the Trustees report for which the financial statements are prepared is consistent with the financial statements.
- 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 our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

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

RESPONSIBILITIES OF TRUSTEES

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

In preparing the financial statements, the Trustees are responsible for assessing the charitable company'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:

We considered the nature of the industry and its control environment and reviewed the charitable company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also inquired about management's own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the charitable company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.

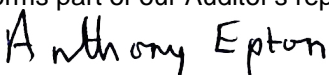
The audit engagement team analysed the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

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


Anthony Epton (Senior Statutory Auditor)
for and on behalf of
Goldwins Limited
Statutory Auditor
Chartered Accountants
75 Maygrove Road
West Hampstead
London NW6 2EG
27 January 2025

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)

	Note	Restricted 2024 £	Unrestricted 2024 £	Total 2024 £	Total 2023 £
Income					
Donations	2	258,000	1,024,087	1,282,087	1,426,336
Investment income		-	8,312	8,312	1,252
Total income		258,000	1,032,399	1,290,399	1,427,588
Expenditure					
Costs of raising funds	3a	-	77,120	77,120	63,038
Expenditure on charitable activities	3b	218,000	937,886	1,155,886	1,300,476
Total expenditure		218,000	1,015,006	1,233,006	1,363,514
Net income and movement in funds					
		40,000	17,393	57,393	64,074
Reconciliation of funds					
Balance brought forward		-	371,895	371,895	307,821
Balance carried forward		40,000	389,288	429,288	371,895

Movement on reserves during the prior year was all unrestricted.

The notes on pages 14 to 21 form part of these accounts.


BALANCE SHEET

As at 30 June 2024

	Note	2024 £	2024 £	2023 £	2023 £
CURRENT ASSETS					
Debtors	4	130,055		134,489	
Cash at bank and in hand		331,912		354,816	
		461,967		489,305	
CREDITORS: AMOUNTS DUE WITHIN ONE YEAR	5	(23,044)		(97,509)	
NET CURRENT ASSETS			438,923		391,796
CREDITORS: AMOUNTS DUE AFTER MORE THAN ONE YEAR	6		(9,635)		(19,901)
TOTAL NET ASSETS/(LIABILITIES)			429,288		371,895
Represented by:					
UNRESTRICTED FUNDS	8/9		389,288		371,895
RESTRICTED FUNDS	8/9		40,000		-
TOTAL CHARITY FUNDS			429,288		371,895

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Trustees on 24 January 2025 and signed on their behalf


J Lief
Trustee


R McCloy
Trustee

The notes on pages 14 to 21 form part of these accounts.

STATEMENT OF CASH FLOWS FOR THE YEAR

	Note	2024 £	2023 £
Net cash (used)/generated by charitable activities	10	(22,904)	88,078
Change in cash and cash equivalents in the year		(22,904)	88,078
Cash and cash equivalents brought forward		<u>354,816</u>	<u>266,738</u>
Cash and cash equivalents carried forward		<u>331,912</u>	<u>354,816</u>

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

a) General Information

Ubuntu Pathways is a public benefit entity and a company limited by guarantee company number 05064084 incorporated in England and Wales. Ubuntu Pathways is also a charity, registered with the Charity Commission (charity registration number 1103749). The registered office and its principal place of business is 7 Cavendish Square, London W1G 0PE.

Ubuntu Pathways supports the work of Ubuntu Pathways in South Africa which aims to assist orphaned and vulnerable children and their families affected by HIV/AIDS, poverty and abuse in Gqeberha, South Africa access higher education and employment.

b) Going Concern

The Trustees confirm that, at the time of approving the financial statements, there are no material uncertainties regarding the charity's ability to continue in operational existence for the foreseeable future. In arriving at this conclusion the Trustees have taken account of current and anticipated financial performance in the current economic conditions, its Vision 2020 and its reserve position. For this reason, the going concern basis continues to be adopted in the preparation of the charity's financial statements.

c) Basis of preparation of financial statements

The financial statements have been prepared under the historic cost convention unless otherwise stated in the relevant accounting policy notes and in accordance with 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 (FRS102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The principle accounting policies that have been applied to all years presented in these financial statements are set out below.

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the charity's transactions are denominated.

d) Fund Accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charitable objects.

Designated funds are those funds set aside from unrestricted funds for specific purposes set out by the Trustees.

Restricted funds are funds subject to specific restrictions imposed by donors or by the purpose of the appeal. The purpose and use of the restricted funds is set out in the notes to the financial statements.

e) Income

All donation income is recognised when the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

NOTES TO THE ACCOUNTS (CONTINUED)

f) Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered, and recognised when there is a legal or constructive obligation to pay for expenditure. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with staff costs allocated on the basis of time spent.

g) Financial instruments

The only financial instruments held by the charity are debtors and creditors. These are categorised as 'basic' in accordance with Section 11 of FRS 102 and are initially recognised at transaction price. These are subsequently measured at their transaction price less any impairment.

h) Tangible Fixed Assets

Tangible fixed assets are stated at cost less accumulated depreciation. Expenditure is capitalised for amounts over £250. Depreciation is provided to write off the cost of tangible fixed assets as follows:

Computer Equipment	- 33% straight line
Furniture	- 25% straight line

i) Foreign Currencies

Transactions denominated in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates ruling at the balance sheet date.

h) Critical Judgements and Estimates

No judgements have been made by management in applying the charity's accounting policies.

There are no accounting estimates or assumptions which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

NOTES TO THE ACCOUNTS (CONTINUED)

2. VOLUNTARY INCOME

	Restricted 2024 £	Unrestricted 2024 £	Total 2024 £	Total 2023 £
High School Capital Campaign	13,000	-	13,000	437,019
Other restricted funds for programming costs, sustainability and LTIP	242,000	-	242,000	
Gala	3,000	757,880	760,880	574,424
2022 Gala Replacement Campaign	-	-	-	3,000
Donor cultivation	-	207,066	207,066	351,647
Outreach solicitations	-	12,394	12,394	21,432
Gift Aid received and claimed	-	46,747	46,747	38,814
	<u>258,000</u>	<u>1,024,087</u>	<u>1,282,087</u>	<u>1,426,336</u>

Income in 2023 was £427,019 restricted and £999,317 unrestricted.

3 ANALYSIS OF EXPENDITURE

3a) Costs of raising funds

This expenditure represents the costs of generating donations.

	2024 £	2023 £
Events	43,463	37,452
Wages and other salary costs	33,657	25,586
	<u>77,120</u>	<u>63,038</u>

Expenditure in both years was unrestricted.

NOTES TO THE ACCOUNTS (CONTINUED)

3b) **Expenditure on Charitable Activities**

This expenditure represents the costs to deliver and support the projects. They include support costs, which relate specifically to the management, operation and communication of the projects undertaken.

	Restricted 2024 £	Unrestricted 2024 £	Total 2024 £	Total 2023 £
i) Net donations to Ubuntu Pathways in South Africa and the US	215,000	545,541	760,541	975,726
ii) Support costs				
Events	3,000	137,461	140,461	119,521
Wages and other salary costs	-	192,759	192,759	150,611
Rent and Service Charges	-	18,000	18,000	18,000
Insurance	-	1,247	1,247	2,098
Printing, Posting and Courier	-	178	178	37
IT and Computer	-	1,860	1,860	246
Professional Fees	-	33,149	33,149	28,689
Sundry	-	3,056	3,056	1,757
Loan interest	-	636	636	882
Bank charges	-	3,999	3,999	2,909
	218,000	937,886	1,155,886	1,300,476

Governance costs included in the above are £8,900 (2023: £6,865).

Expenditure in 2023 was £427,019 restricted and £873,457 unrestricted.

The donations represent five payments made to South Africa of £395,000 (2023: eight payments made to South Africa of £497,642), net donations banked in South Africa of £176,019 (2023: £223,047) and net donations of £189,522 banked in the US (2023: £255,037).

3c) **Wages**

	2024 £	2023 £
Gross wages	179,621	137,009
Employers National Insurance	8,847	4,616
Employer's contribution to defined contribution pension scheme	3,895	2,941
	192,363	144,566

The average number of full-time equivalent employees in the year was 4 (2023: 3) with all employee time involved in providing either support to the governance of the charity or support services to charitable activities.

NOTES TO THE ACCOUNTS (CONTINUED)

3c) **Wages (continued)**

The charity considers its key personnel comprise to be the Director, UK. The total employment benefits (including pension and social security costs) paid out of the UK of the key management personnel were £98,961 (2023: £71,912). No other employees had employee benefits in excess of £60,000 (2023: none).

The Trustees did not receive any emoluments during the year (2023: None).

During the year, travel and subsistence expenses totalling £Nil were reimbursed to the Trustees (2023: £Nil)

Ubuntu Pathways is grateful to our team of approximately 20 volunteers who help with various roles on the day and evening of the London Gala. Ubuntu also thanks the interns who volunteer throughout the year.

3d) **Net expenditure and movement in funds**

	2024 £	2023 £
Audit fee	8,900	6,852
Operating leases - office rentals	18,000	18,000

4. **DEBTORS**

	2024 £	2023 £
Donations receivable	96,403	108,080
Other debtors	28,750	21,495
Prepayments	4,902	4,914
	<u>130,055</u>	<u>134,489</u>

5. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2024 £	2023 £
Loans and overdrafts (see note 7)	10,268	10,014
Trade creditors	2,720	74,467
Accruals	7,941	11,594
Taxation and Social Security	1,882	1,281
Other creditors	233	153
	<u>23,044</u>	<u>97,509</u>

NOTES TO THE ACCOUNTS (CONTINUED)

6. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024 £	2023 £
Loans and overdrafts (see note 7)	9,635	19,901
	<u>9,635</u>	<u>19,901</u>

7. LOANS

In 2020, the charity took out a Bounce Back Loan of £50,000 from HSBC which was transferred in full to Ubuntu Pathways in South Africa. Interest on the loan is charged at 2.5% and it is repayable in 60 equal monthly instalments between 24 June 2021 and 24 May 2026. The loan is guaranteed by the UK government.

8. ACCUMULATED FUNDS

	Opening Balance £	Incoming Resources £	Outgoing Resources £	Closing Balance £
RESTRICTED FUNDS	-	258,000	(218,000)	40,000
UNRESTRICTED FUNDS				
General Fund	371,895	1,032,399	(1,015,006)	389,288
	<u>371,895</u>	<u>1,290,399</u>	<u>(1,233,006)</u>	<u>429,288</u>

Restricted funds are donations and other grants for the construction of the new high school and towards programme expenses, sustainability and LTIP.

NOTES TO THE ACCOUNTS (CONTINUED)

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted Funds 2024 £	Unrestricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
CURRENT ASSETS				
Debtors	-	130,055	130,055	134,489
Cash at Bank and in Hand	40,000	291,912	331,912	354,816
Creditors: Amounts falling due within one year	-	(23,044)	(23,044)	(97,509)
Creditors: Amounts falling due after more than one year	-	(9,635)	(9,635)	(19,901)
	<u>40,000</u>	<u>389,288</u>	<u>429,288</u>	<u>371,895</u>

Funds in 2023 were all unrestricted.

10. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW

	2024 £	2023 £
Net movement in funds	57,393	64,074
Decrease in debtors	4,434	12,377
(Decrease)/increase in short-term creditors	(74,465)	21,641
Decrease in long-term creditors	(10,266)	(10,014)
Net cash (used)/generated by activities	<u>(22,904)</u>	<u>88,078</u>

11. ANALYSIS OF CHANGE IN NET DEBT

	At start of year £	Cash flows £	At end of year £
Cash	354,816	(22,904)	331,912
Loans falling due within one year	(10,014)	(254)	(10,268)
Loans falling due after more than one year	(19,901)	10,266	(9,635)
TOTAL	<u>324,901</u>	<u>(12,892)</u>	<u>312,009</u>

NOTES TO THE ACCOUNTS (CONTINUED)

12. TAXATION

No taxation arises as the company is a registered charity.

13. PENSION SCHEME

The company auto enrolled its employees in a pension scheme from 1 August 2016.

14. CAPITAL COMMITMENTS

There were no capital commitments at the Balance Sheet date.

15. OPERATING LEASE COMMITMENTS

	2024	2023
	£	£
At 30 June the charity was committed to total future minimum lease payments under non-cancellable operating leases for land & buildings:		
Within 1 year	18,000	18,000
Within 2 to 5 years	1,500	19,500
	<u>19,500</u>	<u>37,500</u>

16. CONTINGENT LIABILITIES

There were no contingent liabilities at the Balance Sheet date.

17. RELATED PARTY TRANSACTIONS

During the year £571,019 (2023: £720,689) was advanced to Ubuntu Pathways, South Africa and £189,522 was paid into Ubuntu Pathways Inc, US (2023: £255,037). Both of these are related undertakings.

Donations received from trustees totalled £221,739 in 2024 (2023: £185,080).

18. LIABILITY OF MEMBERS

The charity is a company Limited by Guarantee and as such each member has guaranteed to contribute a sum not exceeding £10 to the assets of the company in the event of it being wound up and unable to pay its debts while he or she is a member or within one year after he or she ceases to be a member.