

HOUSING PATHWAYS TRUST

England & Wales · Charity number 211053

Details

Other names	THE EALING AND BRENTFORD CONSOLIDATED CHARITY, EBCC
Status	Registered
Legal form	Other
Registered	1962-11-02
Register	View on the Charity Commission register

Contact

Address
Housing Pathways Trust
Unit 33
Dean Court
Bowmans Close
London
W13 9YU

Phone 02085797411

Email info@yourpathways.org.uk

Website www.yourpathways.org.uk

Activities

Objects: (1) THE OBJECTS OF BRANCH 1 ARE: (A) THE PROVISION OF RELIEF FOR PERSONS IN THE LONDON BOROUGHS OF WANDSWORTH, HACKNEY, WALTHAM FOREST, ENFIELD, HARINGEY, GREENWICH, NEWHAM, TOWER HAMLETS, LAMBETH, EALING AND HOUNSLOW WHO ARE IN NEED, HARDSHIP OR DISTRESS INCLUDING, WITHOUT LIMITATION, PROVISION OF SOCIAL HOUSING AND HOUSING ACCOMMODATION, INCLUDING ALMSHOUSE ACCOMMODATION FOR BENEFICIARIES SUBJECT TO THE PROVISIONS IN SUBCLAUSES (C), (D) AND (E) BELOW AND PROVISION OF MEDICAL , DOMICILIARY AND OTHER CARE THROUGH, AMONG OTHER THINGS, MAKING GRANTS OF MONEY; AND(B) SUCH CHARITABLE PURPOSES FOR THE BENEFIT OF THE RESIDENTS OF THE CHARITY AS THE TRUSTEE DECIDES.(C) PREFERENCE FOR APPOINTING RESIDENTS IN THE VICTORIA ALMSHOUSES SHALL BE GIVEN TO PERSONS NOT LESS THAN 60 YEARS OLD.(D) PREFERENCE FOR APPOINTING RESIDENTS IN THE WHEELER HOMES SHALL BE GIVEN TO PERSONS NOT LESS THAN 60 YEARS OLD AND MEMBERS OF THE CHURCH OF ENGLAND.(E) THE TRUSTEE MUST RETAIN 33 OF THE JUBILEE PROPERTIES FOR USE BY BENEFICIARIES WHO ARE SINGLE WOMEN AND MUST RETAIN 50 OF THE JUBILEE PROPERTIES FOR BENEFICIARIES WHO ARE OVER 50 YEARS OF AGE.(F) SUBJECT TO THE PROVISIONS OF CLAUSE 33 (POWER TO DISPOSE OF AND REPLACE PURPOSE PROPERTY), THE LAND IDENTIFIED IN PART 1 OF THE SCHEDULE TO THIS SCHEME MUST BE RETAINED BY THE TRUSTEES FOR USE FOR THE OBJECTS OF THE CHARITY AS SET OUT IN THIS CLAUSE 5(1).(2) THE OBJECTS OF BRANCH 2 ARE TO FURTHER THE RELIGIOUS AND OTHER CHARITABLE WORK OF THE CHURCH OF ENGLAND IN THE LONDON BOROUGH OF EALING.(3) THE OBJECTS OF BRANCH 3 ARE TO PROMOTE THE EDUCATION OF CHILDREN WHO ARE IN NEED OF FINANCIAL ASSISTANCE AND ARE RESIDENT IN THE LONDON BOROUGH OF EALING.

Activities: Pathways Trust provides relief for persons in need, hardship or distress resident in our areas of benefit. In Ealing we provide housing for older people; manage allotments and make grants to local voluntary and community groups which benefit people. In Brentford we award grants to voluntary and community organisations engaged in appropriate work.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Buildings/facilities/open Space, Other Charitable Activities
- **What:** General Charitable Purposes, The Prevention Or Relief Of Poverty, Accommodation/housing, Religious Activities
- **Who:** Children/young People, Elderly/old People, Other Charities Or Voluntary Bodies

Geography

- Ealing
- Hounslow

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£2,683,549	£2,660,305	£21,897,553	8
2024-03-31	£2,510,810	£2,506,367	£21,935,388	8
2023-03-31	£2,419,107	£2,155,239	£21,711,090	7
2022-03-31	£1,560,440	£1,204,516	£16,048,745	10
2021-03-31	£1,442,539	£1,313,796	£14,746,769	11

Trustees

Name	Role	Appointed
Alison Pegg		2024-02-09
Fiona Howie		2023-07-13
Joshua John Bramwell Reddaway		2022-10-27
Sarah Woodbridge		2024-10-30
Sophie Service		2024-10-30
Tye McMahon		2024-10-30

Linked charities

- WILLIAM ADAIR (211053-1)
- EDWARD VAUGHAN (211053-10)
- RICHARD TAYLOR (SHARE) (211053-11)
- EDWARD PAYNE (211053-12)
- ELIZABETH BARNE (211053-2)
- JOHN BOWMAN (SHARE) (211053-3)
- EALING ALMSHOUSES (211053-4)
- EALING DEAN COMMON ALLOTMENTS (211053-5)
- JONATHAN GURNELL (EXCLUDING EDUCATIONAL CHARITY) (211053-6)
- HANNAH HARMAN (211053-7)
- THOMAS DENISON LEWIS (211053-8)
- HENRY YORK (EXCLUSIVE OF THE EDUCATIONAL FOUNDATION OF HENRY YORK) (211053-9)

HOUSING PATHWAYS TRUST

England & Wales - Charity number 211053

Accounts

HOUSING PATHWAYS TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2025

Social Housing Regulator No. A0376

Charity Registered No. 211053

Housing Pathways Trust

Financial Statements

For The Year Ended 31st March 2025

Index

Annual Report of the Trustees	1 – 19
Independent Auditors' Report	20 – 23
Statement of Financial Activities	24
Balance Sheet	25
Statement of Cash Flows	26 – 27
Notes to Financial Statements	28 – 49

Housing Pathways Trust Annual Report of the Trustees For The Year Ended 31st March 2025

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY

Charity Registration

Housing Pathways Trust is governed by a Scheme issued by the Charity Commissioners for England and Wales on the 18th May 2000 (consolidating Ealing Consolidated Charities, Bowman and Taylor Trust, Bowman and Others: Brentford Trust and Bowman Ecclesiastical Trust into The Ealing and Brentford Consolidated Charity, since renamed), as amended by resolution dated 24th March 2011 and as amended by a further Scheme issued on the 5th January 2012.

On 1st April 2022 the Charity Commission approved the merger of Housing Pathways Trust, Almshouse & Eleemosynary Charity and Pathways Jubilee Charity. The merged charity is known as Housing Pathways Trust (Charity number 211053) and a new scheme was issued on the 1st April 2022.

The charity is registered with the Regulator of Social Housing as a Registered Provider (No. A0376).

Principal and Administration Address

Registered office:
33 Dean Court
Bowmans Court
Ealing,
London
W13 9YU

Trustees

Rev. Mark Melliush	Ex-Officio, Chair	
Ms Isabella Rossi	Retired 10/07/2024	Ms Katherine Yentumi (Co-Opted)
Ms Andrea Joseph		Roger Jarman (Co-Opted)
Mr Joshua Reddaway		
Ms Fiona Howie		
Ms Tycia Riley	Retired 30/10/2024	
Ms Alison Pegg		
Ms Sophie Service	Appointed 30/10/2024	
Mr Tye McMahon	Appointed 30/10/2024	
Ms Sarah Woodbridge	Appointed 30/10/2024	
Ms Alice Mackenzie (Co-opted)	Retired 30/04/2024	

Custodian Trustees:

Title to the charity's housing properties and investment properties is vested in the Official Custodian for Charities on behalf of Housing Pathways Trust.

**Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2025**

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY (continued)

Officers and advisors

Chief Executive Officer and management team

Steve McNaughton is employed as the Chief Executive on a part-time basis.

Bolaji Omotade who was the Head of Finance & Company Secretary left Pathways in August 2024. Carpenter Box were appointed as Head of Finance in December 2024.

Principal Advisors

Principal Auditors

Beever & Struthers
150 Minories
London
EC3N 1LS

Principal Bankers

National Westminster Bank Plc
1 The Mall
Ealing
London
W5 2PL

Principal Solicitors

Devonshires
30 Finsbury Circus
London
EC2M 7DT

Principal Investment Managers

Rathbones (formerly
Investec Wealth & Investment Limited)
30 Gresham Street
London
EC2V 7QN, United Kingdom

Housing Pathways Trust Annual Report of the Trustees For The Year Ended 31st March 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Housing Pathways Trust is an unincorporated charity which is governed by a Scheme issued by the Charity Commissioners for England and Wales on 31st March 2022, effective from 1st April 2022. This Scheme represented the merger of Almshouse & Eleemosynary Charity and Pathways Jubilee Charity into Housing Pathways Trust. This Scheme replaced previous Schemes dated 18th May 2000, as amended by resolution dated 24th March 2011, and 5th January 2012.

The Charity is the consolidation of a number of smaller charities dating back to the sixteenth century with the areas of benefit incorporating the London Borough of Ealing and the town of Brentford. Under the new Scheme, the area of benefit is expanded, as set out in the Objects on page 4, in line with the location of almshouse properties now owned by the Charity.

How Trustees are Recruited, Appointed, Inducted and Trained

The Charity's Scheme provides for two ex-officio trustees, being the vicar for the time being of the ecclesiastical parish of St John with St James, West Ealing and the Rector for the time being of the ecclesiastical parish of St Paul's, Brentford, or their substitute. Additionally, the Archdeacon of Northolt may nominate one trustee.

There are no geographical restrictions on trustees' appointment and applications from persons living in Greater London boroughs, particularly where we have a presence, are welcomed. Vacancies are advertised in national media and across local networks. Applicants for trustee vacancies are interviewed by the Chair of the Board and at least one other trustee, usually from the nominations committee. New trustees have an induction session which covers core areas of the business.

Existing trustees also have access to ongoing training opportunities, to assist them in fulfilling their roles and responsibilities. In addition to the Board meetings, trustees attend an annual review day, which allows for detailed discussions on strategic planning issues.

Organisation and Management

The day-to-day management of the Charity is delegated to the Chief Executive and staff team. The Chief Executive reports to the Chair and the Board of Trustees of Housing Pathways Trust.

Housing Pathways Trust provides a full management service to King George V Memorial Houses, including all operational, administrative, and financial functions, for which it charges a management fee.

The Housing Pathways Trust Board usually meets six times a year to agree strategy, oversee operations, manage risk, and consider the financial standing of the Charity. In addition to the main meetings of the Board of Trustees, there are the following sub-committees which focus on specific areas of the business in more detail: Audit and Risk, Grants and Nominations. Governance matters are dealt with by the main Board, except that the nominations sub-committee oversees the recruitment of new Trustees.

The Board and each sub-committee have an agreed Terms of Reference, detailing their purpose and responsibilities. The key decision-making protocols are contained in the Committees' terms of reference and the Financial Standing orders.

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

During the year two trustees retired from the board and 3 trustees were recruited to the board.

Roger Jarman was appointed as a co-opted member of the Audit and Risk Committee in February 2025.

Trustees approve annual budgets based on benchmarking data; regulatory rent increases; and stock condition data.

Responsibility for undertaking strategic objectives agreed by trustees is delegated to the Chief Executive and staff team with support from outsourced professional services.

OBJECTIVES AND ACTIVITIES

Objects

The objectives of the charity are:

Branch 1 (as amended by the Charity Commission order of 1st April 2022):

(1) The objects of branch 1 are:

- (a) the provision of relief for persons in the London boroughs of Wandsworth, Hackney, Waltham Forest, Enfield, Haringey, Greenwich, Newham, Tower Hamlets, Lambeth, Ealing and Hounslow who are in need, hardship or distress including, without limitation, provision of social housing and housing accommodation, including almshouse accommodation for beneficiaries subject to the provisions in subclauses (c), (d) and (e) below and provision of medical, domiciliary and other care through, among other things, making grants of money; and
- (b) Such charitable purposes for the benefit of the residents of the charity as the trustees decide.
- (c) Preference for appointing residents in the Victoria Almshouses shall be given to persons not less than 60 years old.
- (d) Preference for appointing residents in the Wheeler Homes shall be given to persons not less than 60 years old and members of the Church of England.
- (e) The trustees must retain 33 of the Jubilee properties for use by beneficiaries who are single women and must retain 50 of the Jubilee properties for beneficiaries who are over 50 years of age.
- (f) Subject to the provisions of clause 33 (Power to dispose of and replace purpose property), the land identified in part 1 of the schedule to this scheme must be retained by the trustees for use for the objects of the charity as set out in this clause 5(1).

Housing Pathways Trust Annual Report of the Trustees For The Year Ended 31st March 2025

OBJECTIVES AND ACTIVITIES (continued)

Branch 2

The objects of branch 2 are to further the religious and other charitable work of the Church of England in the London Borough of Ealing.

Branch 3

The objects of branch 3 are to promote the education of children who are in need of financial assistance and are resident in the London Borough of Ealing.

Charity's Aims

The Charity's aims are to manage and improve performance to achieve Value for Money and better economies of scale in order to compare well with the best in our sector.

Activities

The trustees have had regard to Charity Commission guidance on public benefit. The Charity's activities (as below listed) meet the two key principles of public benefit as set out in Charities and Public Benefit which are that:

- a) There must be an identifiable benefit or benefits.
- b) benefit must be to the public, or section of the public.

Housing for people aged over 50

The Charity owns and manages 234 units of housing accommodation across sixteen sites located in London. The properties are let to people aged at least 50 years.

Pathways has a number of legacy organisations which means varying qualifying criteria:

- the provision of relief for persons in the London boroughs of Wandsworth, Hackney, Waltham Forest, Enfield, Haringey, Greenwich, Newham, Tower Hamlets, Lambeth, Ealing and Hounslow who are in need, hardship or distress including, without limitation, provision of social housing and housing accommodation, including almshouse accommodation for beneficiaries
- Preference for appointing residents in the Victoria Almshouses shall be given to persons not less than 60 years old.
- Preference for appointing residents in the Wheeler Homes shall be given to persons not less than 60 years old and members of the Church of England.
- The charity must retain 33 of the Jubilee properties for use by beneficiaries who are single women and must retain 50 of the Jubilee properties for beneficiaries who are over 50 years of age

The weekly maintenance contribution (i.e. the housing charge for the accommodation) is set in accordance with the Social Housing Regulator's rent formula.

Other accommodation

A further 6 units are let to general needs residents at an intermediate rent. Additionally, there are 13 units let privately at market rents and 15 leasehold units.

Each year the charity reports to the regulator of housing the number of properties owned and managed.

Housing Pathways Trust Annual Report of the Trustees For The Year Ended 31st March 2025

Allotments

The Charity owns two large allotment sites in Ealing which are let to residents of the borough. A committee of plot-holders manages each of these. The Charity offers concessions for people on a low income whilst others pay the full rent.

Ealing Green

The Charity owns the freehold of a building overlooking Ealing Green and adjacent to the Ealing Broadway Shopping Centre. The building consists of a small parade of 8 shops with 13 apartments above. The flats are all let on long leases, whilst the shops are let on a fixed term of 10 years with various expiry dates.

Grants

Surplus income generated from the above retail activity at Ealing Green funds the Charity's main grants programme in Branch 1.

Grants are also provided under:

- Branch 2 from an ecclesiastical fund to recipients determined by the Ealing Deanery Synod.
- The Grassroots fund.

The main grants programme covers Ealing, Brentford, and its neighbourhood. The grant giving policy contributes to our aims and objectives as it covers a number of criteria so that we consider applications from organisations or projects that:

- Strengthen the local voluntary and community sector.
- Aim to alleviate poverty by tackling root causes.
- Promote healthy living among disadvantaged groups.
- Help disadvantaged people in the community to access local services.
- Improve educational and employment opportunities. • Tackle homelessness
- Overcome isolation.
- Support victims of domestic violence
- Provide counselling and support services.
- Meet the need of disadvantaged people who have or care for those with disabilities.
- Promote social cohesion and/or cross-generational activities.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE

Distributive grants

Overall grants awarded by Housing Pathways Trust in 2024-25 amounted to £125,548 (2024: £134,849).

The main Pathways Grants programme is funded from the net rental income derived from our commercial shops at The Green, Ealing.

Our main programme strategy is to fund work which benefits people in communities. We support full cost recovery and will consider giving grants for up to 3 years for organisations that are able to demonstrate that they have monitored and evaluated their work, have learned lessons and refined their approach, and have achieved their stated results. However, we do generally limit our programme to small organisations defined as those with an annual income of less than £100,000 a year.

**Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2025**

Main programme recipients were as follows:

Recipients:	Project	Grant
Future Frontiers	Future Frontiers' charitable objects are to advance the education of the public and relieve poverty, including but not limited to: improving the academic progress of socio-economically disadvantaged young people; and providing educational support to socio-economically disadvantaged young people. Their mission is to equip disadvantaged young people with the guidance, networks and opportunities they need to realise their potential at school and achieve post-16 qualifications that build towards secure and fulfilling employment.	£6,000
WeJam Foundation	The WeJam Foundation exists to transform the lives of young people most in need through musical education, reaching those who live in areas of deprivation, and those with special educational needs and disabilities. Their mission is to ensure everybody can access the benefits music brings - regardless of ability or socioeconomic status.	£6,998
Ealing Law Centre	Their aim is to relieve poverty, suffering and distress among persons resident or working within London Borough of Ealing and neighbouring Boroughs through provision of free legal advice and assistance; and the advancement of education for these persons.	£10,000
Ealing Music Therapy - (1 st payment out of 3)	Ealing Music Therapy (EMT) is the only charity in Ealing which provides Music Therapy on a full day basis in schools within the London Borough of Ealing. Music Therapy is an established clinical intervention using music creatively to form a therapeutic relationship and to support clients with their emotional, physiological, social and communication needs.	£10,000
Planet Penguin Football Foundation	Their mission is to create an inclusive and vibrant football community that caters to individuals of all ages and abilities. Through their football club, they provide opportunities for young people with Down's syndrome, men over 55 years participating in walking football, and ladies over 40 years engaging in walking football to experience the joy of the game, foster social connections, and promote physical and mental well-being in a supportive and inclusive environment.	£10,000
Positive Impact Community- (1 st payment out of 2)	Positive Impact Community works with Black and Minority Ethnic community who are affected by mental health illnesses, learning disability, those with drug addiction, and other mainstream drugs. Their mission is to challenge the Black and Minority Ethnic community's perceived views about mental health, particularly Somali, Arabs and Muslim Minorities, including shame and negative stigma through education, and liaise between Ealing Mental Health Teams and Black and Minority Ethnic young people, and their families.	£9,750

**Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2025**

Parents Action and Resources	Parents Action and Resource Centre CIC (PARC) is an independent community organisation based in Ealing. Their mission is to create a just education system for all pupils, particularly for Black parents and young people by providing them with practical information, advice, and guidance (IAG) so that they are empowered to challenge racial inequalities in educational institutions.	£10,000
Ealing Churches Winter Night Shelter – (1 st payment out of 2)	The object of the organisation is the relief of hardship and poverty, by facilitating churches and other faith based and non-faith-based organisations in the London Borough of Ealing to provide shelter and support for people who are homeless or at significant risk of homelessness.	£10,000
Family Action	Family Action's objects are to preserve and protect the good health (in particular the mental health) of children and families, other individuals and groups within the community, and the relief of poverty.	£9,800
Maggie's	Maggie's mission is to relieve the suffering and distress and to further the health of persons with cancer, their families, and carers.	£10,000
Dementia Concern	Dementia Concern's mission is to support people with dementia and their carers to live as independently as possible.	£10,000
Centre for Armenian Advice & Information	CAIA's aims is to promote any charitable purpose for the benefit of the Armenian Community and people connected with the Armenian Community by the advancement of education, the protection of health and the relief of poverty and distress.	£10,000
Action west London	Action West London is an award-winning local charity with a mission to "Change lives through Employment, Education, and Enterprise." For over 25 years, they have worked to alleviate poverty and improve life chances for individuals facing challenges across West London.	£10,000
St John's Church West Ealing	St John's Church Ealing awarded two grants of £1500 to students to support the costs associated with attending university. The grants were paid direct to the universities.	£3,000
		£125,548

**Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2025**

Distributive grants (continued)

Branch 2 grants are administered by the Ealing Deanery Synod, who handle all grant administration including seeking and assessing applications, deciding on grant recipients, carrying out all appropriate monitoring, and providing subsequent grant evaluations for scrutiny purposes. In 2024-25 the Synod was granted £10,572 (2024: £17,582) to award to their agreed recipients. Whilst each of the grants is small in value, there is a real and very beneficial impact on the churches involved and their level of outreach.

Church Community	Project	Amount
St Matthew Ealing Common	Projector, screen and bean bags (movie nights)	£1,620
Oak Tree Anglican Fellowship	West London House of Prayer	£1,259
St George Southall	Youth Group Resources	£2,500
Ealing Churches Ecumenical	Ealing Churches Winter Night Shelter – Fundraising for charity	£1,993
Living Water Arabic Church	Summer Outreach	£1,700
St Hugh's Northolt	Youth Weekend away outreach	£2,000
	TOTAL APPROVED	£10,572

In summary the grant position for the year ended 31st March 2025 is as follows:

	Amount
Grant surplus brought forward	£492,281
Ealing Deanery Synod - awarded	(£10,572)
Main programme grants - awarded	(£125,548)
2025 Commercial property surplus transferred to grants	£223,108
Grant surplus carried forward	£579,269

Housing for Older People

In 2024-25 we housed 24 (2024 – 19) new residents in our Almshouse accommodation for older people.

During the year we completed improvements to properties, including:

- Eighteen new bathrooms and wet rooms installed in Dean Court, Jubilee Trust, Dovedale Cottage and Abraham Dawes.
- Replacement of twelve boilers and hot water cylinders at in Dean Court, Bowmans Court, Vaughan Court, and Victoria Homes.
- Replacement of thirteen new kitchens in the following schemes- Dean Court, Abraham Dawes, Woolwich Parochial, Tawny Close, Jubilee Trust, and Dovedale Cottages.

Housing Pathways Trust Annual Report of the Trustees For The Year Ended 31st March 2025

Commercial Property

Our commercial property consists of a parade of shops at 19 to 26 The Green, with 13 apartments above, all let on 125-year leases. It is a well-known local landmark, on a busy route into Ealing Broadway, and is in a conservation area.

During the year a member of the property management team was delegated with the responsibility of liaising with the commercial tenants and our commercial advisors Willmotts Estates. This has resulted in a significant reduction in rent arrears; optimising rent levels; and improved allocation of vacant premises.

Investments

The Charity's investment portfolios managed by Investec produced total returns after fees of 8.89% and 7.37% compared to the benchmarks returns of 15.84% and 10.37%. Similar gains were achieved on the Charity's holdings in M&G and CCLA managed funds.

Allotments

Demand for our allotments remains high and over-subscribed. The day-to-day responsibility for allotment management is in the hands of plot-holders committees, the Ealing Dean Allotment Society, and the Haslemere Allotments Association, under a management agreement signed between the Charity and each committee. The allotment committees are paid a management fee to fund day-to-day maintenance and administration and the Charity pays for major works. The arrangements are working very well, and we are appreciative of the efforts of the two committees.

The Allotments has proved a real sanctuary for plot holders. the allotments provided a vital open space where people could get fresh air, exercise and, of course, grow their own healthy fruit and vegetables. The allotment site offered a refuge where you could talk to your plot neighbours and friends. Many plot holders said it was a 'lifeline' for both their physical and mental health.

VALUE FOR MONEY (VFM)

Our aim is to deliver services of the right quality economically, efficiently, and effectively, thus meeting the needs of our residents and all other stakeholders. Housing Pathways Trust is committed to continuously improving our VFM for our residents in all aspects of our business.

Assessment of how Housing Pathways Trust is achieving value for money

An overarching strategic objectives is to ensure Value for Money is embedded across all areas of the business. The board's approach to delivering value for money is one that considers quality; resident satisfaction; and price. When assessing value for money the charity will aim to measure the impact on the lives of residents; the quality of service delivery; the impact on the organisations capacity to ensure compliance with regulatory and legislative requirements; and will assess the long term viability of the property portfolio.

Housing Pathways Trust Annual Report of the Trustees For The Year Ended 31st March 2025

The following examples illustrate the approach to value for money during the year:

Governance:

The biggest single contributory VFM action was the merger of Pathways' legacy charities approved by the Charity Commission on 30 March 2022. The merger created a platform to enable the charity to embark on a programme of reducing overheads and streamlining service delivery. This has continued during 2024/25 where we reduced the number of finance employees from 3 FTE staff to one 0.6 FTE staff and outsourcing other elements of finance administration.

Trustees approved a revised VFM strategy in April 2023. Board reports and financial reviews routinely measure the impact of value for money by balancing cost, quality and resident satisfaction. The Charity has the facility to compare costs and satisfaction by being an active member of an established bench-marking group and forging links with similar sized housing organisations. The Association is affiliated to a number of professional and trade bodies to keep abreast of best practice and significant sector wide developments.

Housing Pathways Trust is a charity regulated by both the Charity Commission and the Regulator of Social Housing. As a registered provider of social housing the charity has adopted the 2020 National Housing Federation Code of Governance. A self-assessment against the code scored a 96% compliance score.

Financial performance: Total arrears for the year was 7% of the annual debit across all tenures. The total includes money owed by housing benefit. This figure compares favourably to other multi-tenure social landlords. The number of empty properties requiring refurbishment increased during the year. This resulted in an increase in the income lost due to properties being empty pending refurbishment and repair. An improved allocations process has been adopted by the team and new contractors have been engaged with the objective of delivering improvements in voids and allocations.

Managing property assets: As a small provider of housing the team are able to maintain accurate and up to date records relating to stock condition. The data collected has enabled effective long term planning to ensure properties are safe, well-maintained and remain relevant to changing market demands.

Employee skills: The charity invests in employee development and has a multi-disciplinary property management team. Staff are encouraged to learn and develop to the mutual benefit of themselves and the business. Housing staff are trained to possess a broad knowledge of housing related disciplines to ensure the properties are maintained and managed to a high standard.

Landlord Property Compliance: The charity has a robust approach to landlord property compliance, achieving 100% across key areas that are reported to each meeting of the board. This approach ensures the safety and security of residents, protecting the organisation from adverse litigation and publicity. A dedicated team member is responsible for compliance reporting. Assurance is provided via periodic internal audits.

Technological investment: Since 2022 the charity has invested in API (Application programming interface) technology. API applications interface with one another, are low cost, and deliver significant efficiencies, in particular relating to financial administration. The technology has enhanced communications and enabled staff to work flexibly, targeting resources where most needed. During the year the charity has implemented direct debit software that will streamline income administration.

Operational Efficiencies: During the financial year the charity continued to make operational efficiencies:

**Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2025**

- Outsourced finance function retaining only a part-time post to manage accounts payable
- Staff costs as a percentage of turnover projected to reduce to 18.5% in 2025/26, compared to benchmarked median of over 21%
- Streamlined administration of utilities contracts to obtain value for money and improved administration
- Completed a review of the grants programme that improved grants administration and the number of grant applications
- Successfully recruited 3 trustees without the use of external recruitment agencies

Resident satisfaction: The charity aims to deliver excellent services combined with safe, secure and well maintained housing. This social purpose of the charity reduces demand on statutory services allowing resources to be deployed elsewhere. During the year the charity reinforced the commitment to listening to residents and delivering resident focused services. The 4th annual resident conference held in June 2024 continued the trend of increased resident attendance compared to the previous year. Satisfaction expressed during the conference affirmed the charity's overall 89% satisfaction score recorded via an independent survey published in May 2024.

Feedback from at the conference, and from the survey form an action plan for improved service delivery.

Complaints: During the financial year 1st April 2024 to 31st March 2025, Housing Pathways Trust (HPT) received 14 complaints. 5 complaints were from residents living in our alms houses; 3 complaints from a family member of an alms house resident; 1 complaint from a leaseholder; 1 complaint from people applying for housing, 2 complaints for persons living in the neighbourhood of one of our sites, 1 complaint from a representative on behalf of a resident; and 1 complaint from a member of Parliament of Ealing Southall on behalf of a resident. The complaints were from 9 different residents living at 5 different sites owned by the charity.

In accordance with the Ombudsman complaints handling code the annual complaints report is published on our website.

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2025

Value for Money Key Metrics

	2025	2024
<p>1. Reinvestment % Considers the investment in properties (existing stock as well as new supply) as a percentage of the value of total properties held.</p>	3.84%	3.81%
<p>2. New Supply Delivered % The number of new social housing and non-social housing homes that have been acquired or developed in the year as a proportion of total social housing and non-social housing homes owned at period end. A. New supply delivered (Social housing homes) B. New supply delivered (Non-social housing homes)</p>	0% 0%	0% 0%
<p>3. Gearing % Assesses how much of the adjusted assets are made up of debt and the degree of dependence on debt finance.</p>	(2.44)%	(3.89)%
<p>4. Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs Included (EBITDA MRI) Interest Cover %. A key indicator for liquidity and investment capacity. Measures the level of surplus generated compared to interest payable</p>	146%	104%
<p>5. Social Housing Cost Per Unit The headline social housing cost per unit as defined by the Regulator</p>	£5,569	£8,426
<p>6. Operating Margin% Demonstrates the profitability of operating assets before exceptional expenses are taken into account. Increasing margins are one way to improve the financial efficiency of a business. A. Operating Margin (social housing lettings only) B. Operating Margin (overall) after adjusting for impairment and merger costs</p>	(26.0)% (8.5)%	(9.66)% 0.7%
<p>7. ROCE % Compares the operating surplus to total assets less current liabilities. An assessment of the efficient investment of capital resources.</p>	0.2%	(0.07)%

Housing Pathways Trust Annual Report of the Trustees For The Year Ended 31st March 2025

VALUE FOR MONEY (continued)

The Charity's VFM metrics around Gearing and EBITDA compare favourably to its peer group, a reflection of the relatively low level of borrowing. However, the metrics for Operating Margin and ROCE are not so favourable which reflects the Charity's non-housing activities including grant-giving. Cost pressures in respect of maintenance and services have caused an increase in cost per unit and a decline in social housing lettings operating margin.

Key Performance Indicators (KPIs)

As members of the Housing for Older People benchmarking group, run by Acuity, which comprises about 34 similarly sized housing providers. We have access to a range of KPIs, both for the immediate group and national comparisons with Housemark, enabling us to compare performance and share good practice to drive improvements and reporting to stakeholders. The KPIs cover areas of organisational performance including resident satisfaction, value for money, repairs, lettings, voids, and compliance but they also provide benchmarking information on areas such as average working days lost due to staff sickness days.

TENANT SATISFACTION MEASURES

Housing Pathways Trust is an alms-house provider registered is a registered provider of social housing regulated by the Regulator of Social Housing (RSH). On 1 April 2023 the RSH published a new system for assessing how well social housing landlords in England are doing at providing good quality homes and services. The system is referred to as tenant satisfaction measures (TSM's). The measures are a list of indicators that social housing landlords must report on.

TSMs collected from Housing Pathways Trust resident perception survey These TSM's remain the same as the previous year (requirement to be completed every 2 years and were last completed in 2023/

- TP01 Overall satisfaction – 89%
- TP02 Satisfaction with repairs – 88%
- TP03 Satisfaction with time taken to complete most recent repair – 88%
- TP04 Satisfaction that the home is well maintained – 84% TP05
Satisfaction that the home is safe – 90%
- TP06 Satisfaction that the landlord listens to tenant views and acts upon them – 79%
- TP07 Satisfaction that the landlord keeps tenants informed about things that matter to them – 84%
- TP08 Agreement that the landlord treats tenants fairly and with respect – 86% TP09
Satisfaction with the landlord's approach to handling complaints – 61%
- TP10 Satisfaction that the landlord keeps communal areas clean and well maintained – 84%
- TP11 Satisfaction that the landlord makes a positive contribution to neighbourhoods – 78% TP12
Satisfaction with the landlord's approach to handling anti-social behaviour – 77%

TSMs generated from Housing Pathways Trust management information

- CH01 Complaints relative to the size of the landlord – 6.2
- CH02 Complaints responded to within Complaint Handling Code timescales – 100%
- NM01 Anti-social behaviour cases relative to the size of the landlord - 0
- RP01 Homes that do not meet the Decent Homes Standard - 0
- RP02 Repairs completed within target timescale – not available
- BS01 Gas safety checks – 100%
- BS02 Fire safety checks – 100%
- BS03 Asbestos safety checks – 100%
- BS04 Water safety checks – 100% BS05
Lift safety checks – 100%

Housing Pathways Trust Annual Report of the Trustees For The Year Ended 31st March 2025

FINANCIAL REVIEW

The Charity recorded a net movement in funds of (£37,835) (2024: £224,298). Net expenditure before investment movements amounted to £23,244 (2024: net income of £4,443) whilst investment movements were positive with gains on investments of £10,921 and compared to profit on investments of £257,855 in the prior year.

Within the net movement in funds, the Charity made a deficit on Almshouse Accommodation of £518,564 (2024: deficit of £267,630). Non-social housing activities including allotments, commercial properties produced income of £501,570 (2024: £543,862) and income from fixed asset investments amounted to £130,642 (2024: £144,456). Income of £242,830 was received from Housing Pathways Limited, following its cessation of trade. Grants payable and associated costs were £165,329 (2024: £181,224). After interest, investment fees and movement in the fair value of the investment properties and fixed asset investments, the charity ended the year with a net expenditure of £34,165 (2024: £262,298). Actuarial movements on the Social Housing Pension Scheme amounted to losses of £72,000 compared to losses of £38,000 in 2024.

Reserves Policy and Reserves

Designated reserves are maintained in accordance with guidance issued by the National Almshouse Association for the cyclical maintenance and repair of the properties. Details of the designated reserves can be found in note 20. The Trustees continue to review the Charity's reserves.

Total Funds at 31st March 2025 of £21,897,553 (2024: £21,935,388) comprising Restricted Funds of £3,034,256 (2024: £3,109,943), Permanent Endowment Funds of £14,605,266 (2024: £14,435,536) and Unrestricted Funds of £4,258,031 (2024: £4,389,909) including Designated Funds of £2,495,467 (2024: £2,453,482) including a grant reserve of £269,073, and maintenance reserves totalling £2,226,394.

The level of maintenance reserves is considered adequate to cover any such costs that are likely to be charged to the revenue account. General funds amount to £1,762,564 and are in place to ensure ongoing trading in the event of any material loss of income, and as a result of the need to build up liquidity to fund future capital costs of Planned Maintenance and expansion of our housing stock. After making allowance for tangible fixed assets used for the charity's activities, reserves amounted to £1,742,919.

Investment Policy

The investment policy lodged with Investec is to invest prudently in a broad range of fixed interest securities and equities, which are quoted on a Registered Investment Exchange, and unit trusts, within an agreed range of percentage holdings for each class of investment. A Balanced objective has been adopted, seeking long term real return on capital as well as income. Companies engaging in or earning more than 10% of their profits from "home collected credit" represent the only ethical restriction in force. The charity also has investments in the M&G Charity Multi Asset Fund and M&G Equities Investment Funds which both seek a combined income and capital real return.

Housing Pathways Trust Annual Report of the Trustees For The Year Ended 31st March 2025

Risk Management

The major risks to which the Charity is exposed, as identified by the Trustees, are regularly reviewed. In addition, the Trustees have put in place systems, policies, and procedures to mitigate these risks once they are identified and assessed. All reports presented to Board and sub-committees include an executive summary of risk which cross refers to the risks identified in the key risks register.

The key risks and uncertainties facing the charity cover several areas of operation and are controlled using procedures and sub-committee overview. The audit and risk committee agree the internal audit cycle with the next internal audit taking place in 2025. The audit and risk committee review the risk register at least annually. Key risks to the charity include ongoing inflationary pressures impacting the cost to maintain the property portfolio; compliance with landlord health and safety legislation including fire, damp and mould; and compliance with the regulatory framework set out by the regulators. Other risks identified are breach of legislation or covenants, ability of residents to maintain payments and misappropriation of funds through fraud.

Fraud

The Board has a policy on fraud covering prevention, detection and reporting of fraud and the recovery of assets.

Anti-bribery policy statement

We seek to maintain the highest standards of ethics and integrity in the way we conduct our business. We recognise that bribery and corruption in all its forms, is illegal and unacceptable. Our bribery policy statement has been integrated into our code of conduct and our gifts and hospitality policy, adopted by the Board, signed by the Chair and Chief Executive. We expect our business partners to adopt a similar approach to bribery or corruption.

FUTURE PLANS

Our key priorities are to:

- Continue to improve customer satisfaction and deliver value for money services
- Undertake planned maintenance across the alms-houses in accordance with our stock condition survey and asset plan agreed by trustees
- Ensure our properties are safe, secure and well maintained
- Ensure continued 100% compliance in line with legislative and regulatory expectations

The Board is in the process of reviewing Housing Pathways Trust's asset management strategy alongside developing a revised 30 years financial plan that will underpin the ambitions set out in the asset management plan. We will continue to seek to reduce our cost base and improve Value for Money in accordance with the standard whilst driving and improving performance.

**Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2025**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities in England and Wales and Registered Social Housing legislation requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity at the year end and of the surplus or deficit of the charity for that period. In preparing those financial statements at the year end, the Trustees should follow best practice and:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue to operate.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Social Housing 2022. The Trustees are responsible for taking reasonable steps to safeguard the assets of the Charity and for the prevention and detection of fraud and other irregularities.

AUDITORS

Beever and Struthers were appointed as new auditors in November 2024.

The Board of Housing Pathways Trust would like to record their particular appreciation of the assistance provided by Matthew Elkins and his colleagues at Knox Cropper over the last few years.

TRUSTEES' STATEMENT ON INTERNAL FINANCIAL CONTROLS

The Trustees acknowledge their ultimate responsibility for ensuring that Housing Pathways Trust has in place a system of controls that is appropriate to the various business environments in which it operates.

These controls are designed to give reasonable assurance with respect to:

- (a) the reliability of financial information used within the charity or for publication
- (b) the maintenance of proper accounting records, and
- (c) the safeguard of assets against unauthorized use or disposition

It is the Trustees' responsibility to establish and maintain systems of internal financial control. Such systems can only provide reasonable but not absolute assurance against material financial misstatement or loss. Key elements include ensuring that:

- (a) formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the charity's assets.
- (b) experienced and suitably qualified staff take responsibility for important business functions.

**Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2025**

- (c) forecasts and budgets are prepared which allow the Trustees and management to monitor the key business risks and financial objectives and progress towards financial plans set for the year and medium term; regular management accounts are prepared promptly; providing relevant, reliable and up-to-date financial and other information and significant variance from budgets are investigated as appropriate.
- (d) all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through relevant sub-committees comprising the Trustees and others.
- (e) the Trustees reviews reports from management and from external auditors to provide reasonable assurance that control procedures are in place and are being followed. This includes a general review of the major risks facing the charity.
- (f) the Trustees have reviewed the effectiveness of the system of internal financial controls in existence in the charity for the year ended 31st March 2025 and up to the date of this report. No weaknesses were found in internal financial controls, which require disclosure in the financial statements or in the auditors' report in the financial statements.

CHAIR'S REPORT

Increased expenditure incurred during the year reflected our focus on continued improvement and investing in long term stability. During the year we:

- reduced our staff overhead costs from 10.2 to 7.2 full time equivalent staff, with the efficiencies to be reflected in the financial performance of future years
- outsourced the head of finance function and improved automation of accounting procedures
- commissioned an independent review of our grants programme including a successful networking event attended by over 20 West London Charities and Community Groups
- committed to the IVAR principles of open and trusted grant making
- undertook surveys across our stock including drone surveys to support our long-term planning
- reviewed our charges to ensure they were aligned to the regulatory standard
- continued to invest in our properties to ensure they are safe, secure and well maintained places to live.
- held a successful resident conference attended by 25% of our residents

Income lost due to properties being empty was in part due to properties being held empty for decanting residents whilst their homes were being refurbished and the high number of properties becoming empty during the year. The team have worked hard to streamline voids administration with enhanced use of our property management software, the impact of which will be seen in year 2025/26.

Our resident survey showed that the level of satisfaction with our homes and service provision has risen again. This was a goal we set ourselves 3 years ago and it is so encouraging to see the results of the investment made by staff and contractors.

The level of complaints has reduced, and any complaint is being dealt with in a quick and efficient manner. Much of this is down to stable staff team who work so well together. The approach we have taken to have Housing Managers being responsible for 'their' own selection of properties has brought a deeper level of care and customer service.

**Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2025**

This year we have also successfully expanded the board membership with three highly skilled contributors as part of the continued drive to improve. All of this has been led by our CEO, Steve McNaughton who brings great leadership with committed support from the board of trustees

Mark Melliush

M melliush

[M melliush \(Sep 30, 2025 16:42:40 GMT+1\)](#)

Chair of Housing Pathways Trust

**Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2025**

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF HOUSING PATHWAYS TRUST

Opinion

We have audited the financial statements of Housing Pathways Trust ("the charity") for the period ended 31 March 2025 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows, and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025, and of the charity's income and expenditure, for the period 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 Charities Act 2011, the Housing and Regeneration Act 2008, and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's 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 of the Trustees, other than the financial statements and our auditor's report thereon. The charity trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and 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

**Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2025**

work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 17, the charity trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the charity 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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below.

**Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2025**

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the charity sector.
 - we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, the Charities Act 2011, taxation legislation, employment legislation, and health and safety legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures on to identify any unusual or unexpected relationships.
- tested journal entries to identify unusual transactions.
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.
- investigated the rationale behind significant or unusual transactions.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

**Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2025**

Use of our report

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

**Beever and Struthers
Chartered Accountants
Statutory Auditor**



150 Minories
London
EC3N 1LS

Date: 30 September 2025

Beever and Struthers is eligible to act as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2025
Statement of Financial Activities

	Notes	2025				2024			
		Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Income from									
Donations and Grants		2,385	-	-	2,385	2,320	-	-	2,320
Charitable Activities									
<i>Almshouse Accommodation</i>	2	1,806,121	-	-	1,806,121	1,820,172	-	-	1,820,172
<i>Allotments</i>	2	24,991	-	-	24,991	23,918	-	-	23,918
Other Trading Activities	3	438,694	-	-	438,694	210,111	-	-	210,111
Investments	4	402,972	8,386	-	411,358	445,657	8,632	-	454,289
		<u>2,675,163</u>	<u>8,386</u>	<u>-</u>	<u>2,683,549</u>	<u>2,502,178</u>	<u>8,632</u>	<u>-</u>	<u>2,510,810</u>
Expenditure on									
Raising Funds	5	132,217	-	3,809	136,026	202,029	1,929	5,659	209,617
Charitable Activities									
<i>Almshouse Accommodation</i>	6	1,962,113	85,295	278,608	2,326,016	1,689,339	83,366	315,097	2,087,802
<i>Allotments</i>	6	31,510	-	1,424	32,934	26,244	-	1,480	27,724
<i>Grant Making</i>	6	164,800	-	529	165,329	180,695	-	529	181,224
		<u>2,290,640</u>	<u>85,295</u>	<u>284,370</u>	<u>2,660,305</u>	<u>2,098,307</u>	<u>85,295</u>	<u>322,765</u>	<u>2,506,367</u>
Gains/(losses) on investments		7,749	1,222	1,950	10,921	206,070	12,915	38,870	257,855
Net income/(expenditure)		<u>392,272</u>	<u>(75,687)</u>	<u>(282,420)</u>	<u>34,165</u>	<u>609,941</u>	<u>(63,748)</u>	<u>(283,895)</u>	<u>262,298</u>
Actuarial gains/(losses)		(72,000)	-	-	(72,000)	(38,000)	-	-	(38,000)
Transfers between funds		(452,150)	-	452,150	-	(1,180,726)	-	1,180,726	-
Net movement in funds		<u>(131,878)</u>	<u>(75,687)</u>	<u>169,730</u>	<u>(37,835)</u>	<u>(608,785)</u>	<u>(63,748)</u>	<u>896,831</u>	<u>224,298</u>
Funds brought forward 1st April 24		4,389,909	3,109,943	14,435,536	21,935,388	4,998,694	3,173,691	13,538,705	21,711,090
Funds carried forward 31st March 25		<u>4,258,031</u>	<u>3,034,256</u>	<u>14,605,266</u>	<u>21,897,553</u>	<u>4,389,909</u>	<u>3,109,943</u>	<u>14,435,536</u>	<u>21,935,388</u>

The financial statements were approved by the Trustees on30 September.....2025 and signed on its behalf by:

Trustee 
M. Melluish (Sep 30, 2025 16:47:40 GMT+1)

Mark Melluish (Chair)

Trustee 

Fiona Howie (Trustee and audit and risk committee member)

Housing Pathways Trust
Balance Sheet
As At 31st March 2025

	Notes	2025		2024	
		£	£	£	£
Fixed Assets					
Housing Properties	10	11,775,907		11,675,740	
Investment Properties	11	4,413,500		4,413,500	
Other Fixed Assets	12	1,330,765		1,357,082	
Social Investments	14	-		-	
Investments	15	4,438,643		4,686,026	
		21,958,815		22,132,348	
Current Assets					
Trade and Other Debtors	16	434,189		201,595	
Cash and Cash Equivalents		468,101		1,220,751	
		902,290		1,422,346	
Creditors: Amounts falling due within one year	17	(803,551)		(673,185)	
Net Current Assets		98,739		749,161	
Total Assets less Current Liabilities		22,057,554		22,881,509	
Creditors: Amounts falling due after more than one year	18	(105,001)		(786,121)	
Provisions for liabilities	23	(55,000)		(160,000)	
Net Assets		21,897,553		21,935,388	
Funds					
Permanent Endowment	20	14,605,266		14,435,536	
Restricted Funds	20	3,034,256		3,109,943	
Unrestricted Funds	20	4,258,031		4,389,909	
Total Funds		21,897,553		21,935,388	

The financial statements were approved by the Trustees on **30 September**2025 and signed on its behalf by:

M melluish

M melluish (Sep 30, 2025 16:42:40 GMT+1)

Trustee

Mark Melluish (Chair)

Fiona

Trustee

Fiona Howie (Trustee and audit and risk committee member)

House Pathways Trust
Statement Of Cash Flows
For The Year Ended 31st March 2025

	Notes	2025 £	2024 £
Net Cash generated from Operating Activities	A	56,021	543,225
Cash Flows from Investing Activities			
Capitalised works to existing housing properties		(452,150)	(444,996)
Purchase of other fixed assets		-	(3,000)
Repayments of Social Investments		-	-
Proceeds from sale of investments		300,000	534,012
Additions to investments		-	(553,009)
Investment management fees		10,492	(20,025)
Investment income and bank interest received		130,642	133,004
Net Cash generated from/(used in) Investing Activities		<u>(11,016)</u>	<u>(354,014)</u>
Cash Flows from Financing Activities			
Interest paid		(61,532)	(96,837)
Repayment of Loans		(766,435)	(738,190)
Net Cash (used in)/generated from Financing Activities		<u>(827,967)</u>	<u>(835,027)</u>
Net Change in Cash and Cash Equivalents		(782,962)	(645,816)
Cash and Cash Equivalents at the beginning of the year		1,268,667	1,914,483
Cash and Cash Equivalents at the end of the year	B	<u>485,705</u>	<u>1,268,667</u>
A Cash Flows from Operating Activities			
Net Income/(Expenditure) for the year		34,165	262,298
Depreciation		398,601	391,242
Income from Investments		(130,642)	(144,456)
Interest Payable		61,531	102,837
Investment management fees		(10,492)	20,025
Decrease/(Increase) in Debtors		(232,592)	80,513
Decrease/(Increase) in Creditors		215,680	92,993
(Decrease)/Increase in Pension Provision		(177,000)	(38,000)
Disposal of fixed assets		(20,301)	33,628
Reversal of impairment of Social Investments		-	-
(Gains)/Losses on Investments		(82,929)	(257,855)
Revaluation of investment property		-	-
		<u>56,021</u>	<u>543,225</u>
B Cash and Cash Equivalents			
Bank Balances		468,101	1,220,751
Investment Managers Cash		17,604	47,916
		<u>485,705</u>	<u>1,268,667</u>

Housing Pathways Trust
Statement Of Cash Flows
For The Year Ended 31st March 2025

Reconciliation of Net Debt

	At 01.04.24	Cash Flows	At 31.03.25
	£	£	£
Cash and Cash equivalents	1,268,667	(782,962)	485,705
Loans falling due within one year	(64,316)	64,316	-
Loans falling due after more than one year	(702,120)	702,120	-
Total	<u>502,231</u>	<u>16,526</u>	<u>485,705</u>

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2025

1. **Accounting Policies**

(a) **Status**

Housing Pathways Trust is an unincorporated charity registered in England and Wales, registration number 211053. The principal office address is disclosed on page 1 of the annual report. The presentational currency is the Pound Sterling (£).

(b) **Basis of Accounting and Assessment of Going Concern:**

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities, in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (second edition issued in October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The accounts comply with the Charities Act 2011, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing in England 2022. The accounts are prepared on the historical cost basis of accounting unless otherwise stated in the relevant accounting policy.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) Second Edition issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Charity constitutes a public benefit entity as defined by FRS 102. The Trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern.

(c) **Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Income from Almshouse Accommodation represents weekly maintenance and service contributions receivable from residents and is recognised on an accruals basis.

Investment income is earned through holding assets for investment purposes such as shares and property and includes dividends and interest and rents and service charges from investment properties. Interest income is recognised using the effective interest method and dividend income is recognised as the Charity's right to receive payment is established. The Charity considers it is not practical to identify investment management costs incurred within collective investment schemes managed by M&G and CCLA with reasonable accuracy and thus the investment income is reported net of these costs. Rental income is recognised straight line over the term of the lease and service charges are recognised on an accruals basis.

Social Housing Capital grants are recognised using the performance model and recognised when receivable, or in the period in which a scheme is completed where the amount of the grant has been determined. Social Housing Grants are treated as restricted funds and reflected in the Fixed Asset Fund.

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2025

1. **Accounting Policies (continued)**

(d) **Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

(e) **Housing Properties**

Housing properties are measured at cost less accumulated depreciation and impairment losses. For housing properties acquired before 1st April 1978, market value as at that date is deemed to be cost. All subsequent acquisitions of housing properties or improvements to existing stock are measured at cost.

The cost of completed housing properties (net of the cost of land) is depreciated over the useful life of the properties. Properties are accounted for on a component cost basis with each component being depreciated over its estimated economic life. The principal components identified, and the depreciation rate applied to each component are set out below:

Land	-	Not depreciated
Main fabric	-	Over 70 years
Roof structure and covering	-	Over 70 years
Windows & external doors	-	Over 30 years
Gas boilers	-	Over 15 years
Kitchen	-	Over 20 years
Bathrooms/WCs	-	Over 30 years
Redecoration	-	Over 7 years
Mechanical systems	-	Over 30 years
Electrics	-	Over 40 years
Fire alarms/warden call	-	Over 15 years

(f) **Investment Properties**

Investment properties are measured at fair value at the balance sheet date. These properties are held for rental and are reflected under Investment Properties, as distinct from Social Housing Properties. In accordance with FRS102, no depreciation is charged on the investment properties.

(g) **Other Fixed Assets**

Allotment land is measured at deemed cost, being previous GAAP revaluations of £390,000 for Northfield Allotment and £355,000 for Haslemere Allotment taken as deemed cost on transition to FRS102. Improvements to the allotment sites are measured at cost less accumulated depreciation. Fixtures, fittings, and equipment are stated at cost less accumulated depreciation. Office property is held for the use of the charity and is measured at cost less accumulated depreciation.

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2025

Depreciation is charged in a straight line basis over the expected useful lives of the assets, at the following annual rates:

- 2% - Allotment Fencing
- 10% - Furniture & Fittings
- 33 $\frac{1}{3}$ % - Computer Equipment

The Office Property is depreciated on a component basis using the same rates as applied to the Housing Properties.

(h) Investments

Fixed asset investments are a form of basic financial instrument are initially recognised at their transaction value and subsequently measured at their fair value using the closing quoted market price or the share of the Net Asset Value of the fund (if unlisted). All gains and losses are taken to the Statement of Financial Activities as they arise. The Statement of Financial Activities includes all net gains and losses arising on revaluation and disposals throughout the year.

Social investments, comprising a concessionary loan, are measured at cost less impairment.

(i) Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(j) Cash at bank and in hand

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

(k) Creditors

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

(l) Financial Instruments

The Charity only holds basic financial instruments. The financial assets and financial liabilities of the Charity are as follows:

Debtors – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 16. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Liabilities – trade creditors and bank loans are classified as financial instruments and are measured at amortised cost as detailed in Notes 17 & 18.

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2025

(m) **Fund Accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for a specific purpose. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for a specific purpose. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Permanent endowment funds are restricted capital funds where there is no power to convert the original capital to income. Expendable endowment funds represent sums which the Trustees intend to retain intact but can if necessary be used in furtherance of the Charity objectives subject to any restrictions imposed by the donor.

(o) **Taxation**

As a non-profit making body, the charity believes that it is exempt from forms of taxation other than employers' national insurance and value added tax (VAT). The charity partially makes taxable supplies of services and is only able to recover input VAT tax, where this is charged, on items of expenditure relating to these supplies.

(p) **Pension Costs**

The Charity participates in a multi-employer defined benefit pension scheme providing benefits based on final pensionable pay. This is a funded scheme, and the assets are held separately from those of the charity in separate trustee administered funds.

Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities.

The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/expenditure are the current service costs and gains and losses on settlements and curtailments together with any change in the net defined benefit liability arising from employee service. They are included as part of staff costs. Net interest on the defined benefit liability is shown as a cost in the support cost. The re-measurement of the defined benefit liability is also reported in the statement of financial activities within other gains and losses and is shown in more detail in Note 23 to the accounts.

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2025

1. **Accounting Policies (continued)**

(q) **Significant Management Judgements and Estimation Uncertainties**

The following are the critical judgements and key sources of estimation uncertainty that the Board has made in the process of applying the charity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Fair value of Investment Properties

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in the Statement of Financial Activities. The Trustees assess the fair value of the investment properties based on recent market values. In determining the fair value on this basis, the valuation remains sensitive to fluctuations in the property market

Identification of housing property components

The charity accounts for its expenditure on housing properties using component accounting. Under component accounting, the housing property is divided into those major components which are considered to have substantially different useful economic lives. Judgement is used in allocating property costs between components (land, structure, kitchens, bathrooms etc) and in determining the useful economic lives of each component.

Housing property depreciation is calculated on a component-by-component basis. The identification of such components is a matter of judgement and may have a material impact on the depreciation

charge. The components selected are those which reflect how the major repairs to the property are managed.

(r) **Significant Management Judgements and Estimation Uncertainties (continued)**

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based on the expected utility of the assets. Uncertainties in these estimates relate to changes to decent homes standard requiring frequent replacement of components.

Bad debt provision

A full line by line review of trade debtors is carried out at the end of each month. Whilst every attempt is made to ensure that the bad debt provisions are as accurate as possible, there remains a risk that the provisions do not match the level of debts which ultimately prove to be uncollectible.

Defined Benefit Pension Scheme

As stated in Note 23, the Charity participates in a multi-employer defined benefit pension scheme. The value of the Charity's share of the net deficit in the scheme is sensitive to fluctuations in bond yields and other actuarial assumptions as detailed in Note 23.

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2025

2. Income from Charitable Activities

	2025	2024
	£	£
<i>Almshouse Accommodation</i>		
Maintenance contributions	1,591,401	1,585,024
Services contributions	214,720	235,148
	<u>1,806,121</u>	<u>1,820,172</u>
<i>Allotments</i>		
Allotments	24,991	23,918
	<u>1,831,112</u>	<u>1,844,190</u>

3. Income from Other Trading Activities

	2025	2024
	£	£
Management Fees	13,180	17,357
Private Lets	173,109	185,254
Office rent receivable	7,500	7,500
Other	244,905	-
	<u>438,694</u>	<u>210,111</u>

Private let income represents the income derived from certain properties within the Charity's almshouse estate which are temporarily let on short-term licenses at market rates.

Housing Pathways Trust received an amount of £242,830 from Housing Pathways Limited, which ceased to trade in during the year. This is included in Other.

4. Income from Investments

	2025	2024
	£	£
<i>Investment Property</i>		
Rent receivable	273,153	259,052
Ground rent receivable	3,750	3,950
Service charges receivable	3,813	46,831
	<u>280,716</u>	<u>309,833</u>
Investment Income & Bank Interest	130,642	144,456
	<u>411,358</u>	<u>454,289</u>

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2025

5. Expenditure on Raising Funds

	2025	2024
	£	£
Investment management fees	10,492	20,025
Support costs – managing KGV	13,061	12,582
<i>Investment Property costs</i>		
Management & support costs	75,738	72,960
Maintenance	1,167	25,667
Insurance	28,838	28,571
Professional fees	6,730	38,718
Bad debts	-	11,094
	<u>136,026</u>	<u>209,617</u>

6. Expenditure on Charitable Activities

	2025	2024
	£	£
<i>Almshouse Accommodation</i>		
Management & support costs	729,520	654,793
Services	429,268	296,204
Maintenance	762,458	668,388
Depreciation	374,755	359,336
Disposals	(20,301)	33,268
Interest payable	49,832	66,593
Bad debts	494	8,860
	<u>2,326,016</u>	<u>2,087,802</u>
<i>Allotments</i>		
Management	19,636	9,936
Depreciation	1,138	1,194
Maintenance	-	4,880
Support costs	12,160	11,714
	<u>32,934</u>	<u>27,724</u>
<i>Grant-making</i>		
Grants awarded to institutions	116,587	146,081
Residents' Welfare & Hardship Fund	26,223	13,450
Support costs	22,519	21,693
	<u>165,329</u>	<u>181,224</u>
	<u>2,524,279</u>	<u>2,296,750</u>

A breakdown of the institutions which were awarded grants during the year can be found in the Report of the Trustees.

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2025

7. **Support Costs**

	2025	2024
	£	£
Staff costs	587,625	450,305
Administration	88,546	130,499
Depreciation of office property	16,996	17,632
Depreciation of office equipment	5,713	13,080
Professional fees	95,888	12,017
Bank charges and sundries	11,709	3,757
Loan interest	-	30,244
Pensions costs and interest	(133,909)	8,975
Irrecoverable VAT	47,708	42,750
Governance costs	30,348	13,835
	<u>750,624</u>	<u>723,094</u>

Included within Governance Costs is auditor's remuneration for the audit of the financial statements amounting to £18,435 excluding VAT (2024: £11,530 excluding VAT).

8. **Staff Costs**

All employees are jointly employed by Housing Pathways Trust and associated Pathways charities, and their costs are recharged across the charities on a set basis reviewed annually. The proportion of staff costs charged to the Charity is as follows:

	2025	2024
	£	£
Wages and salaries	402,057	309,403
Social security costs	37,884	28,113
Pension costs	48,936	25,956
Redundancy	21,028	-
Agency staff & interim contractors	77,720	86,833
	<u>587,625</u>	<u>450,305</u>

The average weekly numbers of full-time equivalent employees during the year were 8.2 (2024: 9.5) and the average number of employees was 9 (2024: 10). No employees' received employee benefits in excess of £60,000 (2024: 1).

The remuneration payable to key management personnel for their services to the Charity amounted to £90,383 (2024: £156,518). One trustee, Rev. Mark Melliush, received remuneration of £3,000 for their role as a Chair of Trustees as permitted by the Charity's governing document.

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2025

9.	Social Housing Lettings	2025	2024
		£	£
	Maintenance contributions	1,591,401	1,585,024
	Service charges receivable	214,720	235,148
	Turnover from Social Housing Letting	<u>1,806,121</u>	<u>1,820,172</u>
	Management	729,520	629,524
	Services	429,268	296,204
	Routine and Cyclical Maintenance	762,458	668,388
	Property Depreciation	374,755	359,336
	Bad debts	494	8,860
	Operating costs of Social House Lettings	<u>(2,296,495)</u>	<u>(1,962,312)</u>
	Gain/(Loss) on replacement of components	20,301	(13,584)
	Operating surplus/(deficit) on Social Housing Letting	<u>(470,073)</u>	<u>(175,768)</u>
	Net Surplus/(Deficit) on social housing lettings	<u>(518,894)</u>	<u>(267,630)</u>
	Void Losses (within maintenance contributions)	<u>158,778</u>	<u>87,956</u>
10.	Fixed Assets Housing Properties	2025	2024
		£	£
	Cost		
	As at 1 st April 2024	15,877,992	15,519,394
	Works to existing properties	452,150	444,996
	Disposals	(105,678)	(86,398)
	As at 31 st March 2025	<u>16,224,464</u>	<u>15,877,992</u>
	Depreciation		
	As at 1 st April 2024	4,202,252	3,895,686
	Charge for the year	374,755	359,336
	Disposals	(128,450)	(52,770)
	As at 31 st March 2025	<u>4,448,557</u>	<u>4,202,252</u>
	Net Book Value at 31st March 2025	<u>11,775,907</u>	<u>11,675,740</u>

All Properties are Freehold Properties except for two properties held on long leaseholds (cost £362,731 accumulated depreciation £69,866).

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2025

11. **Investment Properties**

	Ealing Green	Vaughan Court	Total
	£	£	£
Fair Value			
As at 1 st April 2024	4,400,000	13,500	4,413,500
Additions	-	-	-
Movement in fair value	-	-	-
As at 31 st March 2025	<u>4,400,000</u>	<u>13,500</u>	<u>4,413,500</u>

The Investment properties were last valued by S Hanton FRICS for Willmotts as at 31st August 2023.

12. **Other Fixed Assets**

	Allotments	Fixtures, Fittings & Equipment	Office	Total
	£	£	£	£
Cost				
As at 1 st April 2024	801,882	48,984	679,845	1,530,711
Additions	-	-	-	-
Disposals	-	(17,749)	-	(17,749)
As at 31 st March 2025	<u>801,882</u>	<u>31,235</u>	<u>679,845</u>	<u>1,512,962</u>
Depreciation				
As at 1 st April 2024	13,562	36,630	123,437	173,629
On disposals	-	(15,279)	-	(15,279)
Charge for the year	1,138	5,713	16,996	23,847
As at 31 st March 2025	<u>14,700</u>	<u>27,064</u>	<u>140,433</u>	<u>182,197</u>
Net Book Value				
As at 31 st March 2025	<u>787,182</u>	<u>4,171</u>	<u>539,412</u>	<u>1,330,765</u>
As at 31 st March 2024	<u>788,320</u>	<u>12,354</u>	<u>556,408</u>	<u>1,357,082</u>

All 2024 figures in this note represent combined figures.

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2025

13. **Capital Grants**

	2025	2024
	£	£
Aggregate amount received		
As at 1 st April 2024 and 31 st March 2025	<u>5,835,488</u>	<u>5,835,488</u>
Released to Statement of Financial Activities		
As at 1 st April 2024 and 31 st March 2025	<u>5,835,488</u>	<u>5,835,488</u>
Social Housing Grant Carrying Value	<u>-</u>	<u>-</u>

14. **Social Investments**

	2025	2024
	£	£
Concessionary loans		
As at 1 st April 2024	-	-
Repayments in the year	-	-
Reversal of impairment	-	-
As at 31 st March 2025	<u>-</u>	<u>-</u>

Concessionary loans comprise an interest-free loan made to Cultivate London Ltd in 2012. The loan was fully impaired in the year it was granted. The amount outstanding at 31st March 2025 is £47,645 (2024: £47,645).

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2025

15. **Fixed Asset Investments**

	2025			2024
	Unrestricted	Grassroots	Total	Total
	£	£	£	£
As at 1st April 2024	4,352,459	285,651	4,638,110	4,351,427
Additions	-	-	-	562,840
Disposals	(300,000)	-	(300,000)	(557,796)
Unrealised gains/(losses)	81,707	1,222	82,929	281,639
As at 31st March 2025	4,134,166	286,873	4,421,039	4,638,110
Cash Deposits	16,069	1,535	17,604	47,916
	4,150,235	288,408	4,438,643	4,686,026
Fixed Income	287,601	32,404	320,005	294,750
Equities and Unit Trust	2,935,269	221,930	3,157,199	3,948,601
Property and Alternatives	882,218	23,361	905,579	329,359
Cash and Money Market	45,147	10,713	55,860	113,316
	4,150,235	288,408	4,438,643	4,686,026

Included within Fixed Asset Investments is £4,421,039 (2024: £4,638,110) measured at fair value through net income/(expenditure).

Investments with a carrying value of £300,000 were sold for net proceeds of £300,000, realising losses of £0 (2024: carrying value of £557,796 sold for net proceeds of £534,012, realising losses of £23,784).

16. **Debtors**

	2025	2024
	£	£
Residents' Contributions	121,408	71,652
Provision for Doubtful Debts	(83,550)	(18,970)
	37,858	53,682
Private Let and Investment Property Debtors	150,533	85,188
Connected parties:		
Educational Foundation of Francis Courtney	-	6,000
King George V Memorial Houses	72,793	21,237
Housing Pathways	-	-
Prepayments and accrued income	141,239	35,488
Other debtors	31,766	-
	434,189	201,595

£0 of the Prepayments and accrued income total is receivable in more than one year.

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2025

17. **Creditors: Amounts falling due within one year**

	2025	2024
	£	£
Trade Creditors	388,083	245,712
VAT and Social Security	22,291	16,147
Connected parties:		
Housing Pathways	17,980	150
King George V Memorial Houses	-	-
Loans (Note 19)	-	64,316
Grants payable	-	19,533
Deferred income	111,053	83,366
Accrued expenses & Other Creditors	264,144	243,961
	<u>803,551</u>	<u>673,185</u>
Deferred income at 1 st April	83,366	71,385
Income recognised in the year	(83,366)	(71,385)
Amounts deferred this year	111,053	83,366
Deferred income at 31 st March	<u>111,053</u>	<u>83,366</u>

Deferred income represents rent and service charges invoiced to tenants of the charity's investment properties related to periods beyond the balance sheet date.

18. **Creditors: Amounts falling due outside one year**

	2025	2024
	£	£
Tenant deposits	105,001	84,001
Loans (Note 19)	-	702,120
	<u>105,001</u>	<u>786,121</u>

19. **Loans**

	2025	2024
	£	£
Repayable in less than one year (Note 17)	-	64,316
Repayable in more than one year (Note 18)	-	702,120
Total Loans	<u>-</u>	<u>766,436</u>

The Charity has no loans outstanding.

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2025

20. Funds

Current Year	Balance at 1 April 2024	Income	Expenditure	Gain/(losses) on investments	Other gain/(losses)	Transfers	Balance at 31 March 2025
	£	£	£	£	£	£	£
Unrestricted Funds							
General Funds	1,936,427	2,633,637	(2,287,186)	3,836	(72,000)	(452,150)	1,762,564
<i>Designated Funds</i>							
Grants Reserve	269,073	-	-	-	-	-	269,073
Cyclical Repairs and Maintenance Reserve	474,357	9,018	(750)	850	-	-	483,475
Extraordinary Repairs Reserve	1,710,052	32,508	(2,704)	3,063	-	-	1,742,919
	<u>4,389,909</u>	<u>2,675,163</u>	<u>(2,290,640)</u>	<u>7,749</u>	<u>(72,000)</u>	<u>(452,150)</u>	<u>4,258,031</u>
Restricted Funds							
Fixed Asset Fund	2,738,742	-	(83,366)	-	-	-	2,655,376
Grassroots Fund	371,201	8,386	(1,929)	1,222	-	-	378,880
	<u>3,109,943</u>	<u>8,386</u>	<u>(85,295)</u>	<u>1,222</u>	<u>-</u>	<u>-</u>	<u>3,034,256</u>
Endowment Funds							
Permanent Endowment	14,435,536	-	(284,370)	1,950	-	452,150	14,605,266
	<u>21,935,388</u>	<u>2,683,549</u>	<u>(2,660,305)</u>	<u>10,921</u>	<u>(72,000)</u>	<u>-</u>	<u>21,897,553</u>

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2025

20. Funds (continued)

Prior Year	Balance at 1 April	Income	Expenditure	Gains/(losses)	Other	Transfers	Balance at 31
Unrestricted Funds	2023			on investments	gains/(losses)		March 2024
General Funds	2,657,432	2,460,697	(2,091,147)	128,171	(38,000)	(1,180,726)	1,936,427
<i>Designated Funds</i>							
Grants Reserve	269,073	-	-	-	-	-	269,073
Cyclical Repairs and Maintenance Reserve	459,431	5,517	(952)	10,361	-	-	474,357
Extraordinary Repairs Reserve	1,612,758	35,964	(6,208)	67,538	-	-	1,710,052
	<u>4,998,694</u>	<u>2,502,178</u>	<u>(2,098,307)</u>	<u>206,070</u>	<u>(38,000)</u>	<u>(1,180,726)</u>	<u>4,389,909</u>
Restricted Funds							
Fixed Asset Fund	2,822,108	-	(83,366)	-	-	-	2,738,742
Grassroots Fund	351,583	8,632	(1,929)	12,915	-	-	371,201
	<u>3,173,691</u>	<u>8,632</u>	<u>(85,295)</u>	<u>12,915</u>	<u>-</u>	<u>-</u>	<u>3,109,943</u>
Endowment Funds							
Permanent Endowment	13,538,705	-	(322,765)	38,870	-	1,180,726	14,435,536
	<u>21,711,090</u>	<u>2,510,810</u>	<u>(2,506,367)</u>	<u>257,855</u>	<u>(38,000)</u>	<u>-</u>	<u>21,935,388</u>

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2025

20. Funds

Designated Funds

Extraordinary Repair Fund

The Charity maintains an Extraordinary Repair Fund which is sufficient for the purpose of providing for extraordinary repair, improvement, or rebuilding of the almshouses. With the advent of component accounting, major repairs are usually capitalised. The level of the reserve is considered adequate to cover any such costs that are likely to be charged to the revenue account.

Cyclical Repairs and Maintenance Reserve

This fund is based on the charity's obligation to provide on a continuing basis for the repair and maintenance of their properties based on a planned programme of works and is considered adequate.

Restricted Funds

Grassroots Fund

The Charity set up a restricted fund called the Grassroots Endowment, to ensure the Grassroots project was sustained beyond 2011, when Government funding ceased. Income for the Fund is invested separately, and the balance held as a separate fund.

Fixed Assets Fund

The Fixed Assets Fund represents the proportion of housing properties funded by social housing grant, less the accumulated depreciation attributable to that element of the cost. Social housing grants may be repayable if the charity sells a property or ceases to use it for a qualifying purpose.

Endowment Funds

Permanent Endowment

Under a Charity Commission Scheme dated 18th May 2000 as amended, the four predecessor charities were amalgamated to form the Ealing and Brentford Consolidated Charity which became Housing Pathways Trust in 2012. Under the terms of the Scheme, Housing Pathways Trust's activities were classified into four branches and the Scheme specifically refers to the assets which represented each branch's permanent endowment and expendable endowment. The revised Scheme dated 1st April 2022 consolidated the purposes of branches 1 and 2.

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2025

21. Net Assets and Funds by Branch

	Branch 1	Branch 2	Branch 3	Restricted	Total
	£	£	£	£	£
Properties	11,775,907	-	-	-	11,775,907
Investment Properties	4,413,500	-	-	-	4,413,500
Other Fixed Assets	1,330,765	-	-	-	1,330,765
Investments	3,460,884	686,314	4,957	286,488	4,438,643
Net Current Assets/ (Liabilities)	101,145	(95,296)	498	92,392	98,739
Creditors Due Outside One Year	(105,001)	-	-	-	(105,001)
Provisions for Liabilities	(55,000)	-	-	-	(55,000)
	<u>20,922,200</u>	<u>591,018</u>	<u>5,455</u>	<u>378,880</u>	<u>21,897,553</u>
Permanent Endowment	14,111,319	491,009	2,938	-	14,605,266
Restricted Funds	2,655,376	-	-	378,880	3,034,256
Designated Funds	2,495,467	-	-	-	2,495,467
Unrestricted Funds	1,660,038	100,009	2,517	-	1,762,564
	<u>20,922,200</u>	<u>591,018</u>	<u>5,455</u>	<u>378,880</u>	<u>21,897,553</u>

22. Net Assets by Funds

	Permanent Endowment	Restricted Funds	Unrestricted Funds	2025 Total
	£	£	£	£
Housing Properties	8,924,495	2,655,376	196,036	11,775,907
Investment Properties	4,413,500	-	-	4,413,500
Other Fixed Assets	1,326,594	-	4,170	1,330,765
Investments	700,116	286,488	3,452,040	4,438,644
Net Current Assets/(Liabilities)	(759,439)	92,392	765,786	98,739
Creditors Due Outside One Year	-	-	(105,001)	(105,001)
Provisions for Liabilities	-	-	(55,000)	(55,000)
	<u>14,605,266</u>	<u>3,024,256</u>	<u>4,258,031</u>	<u>21,897,553</u>
	Permanent Endowment	Restricted Funds	Unrestricted Funds	2024 Total
Housing Properties	8,737,755	2,738,742	199,243	11,675,740
Investment Properties	4,413,500	-	-	4,413,500
Other Fixed Assets	1,344,728	-	12,354	1,357,082
Investments	705,989	287,195	3,692,842	4,686,026
Net Current Assets/(Liabilities)	(64,316)	84,006	729,471	749,161
Creditors Due Outside One Year	(702,120)	-	(84,001)	(786,121)
Provisions for Liabilities	-	-	(160,000)	(160,000)
	<u>14,435,536</u>	<u>3,109,943</u>	<u>4,389,909</u>	<u>21,935,388</u>

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2025

23. Pension Obligations

Housing Pathways Trust participates in the Social Housing Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK.

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

The last completed triennial valuation of the scheme for funding purposes was carried out as at 30 September 2023. This valuation revealed a deficit of £693m. A Recovery Plan has been put in place with the aim of removing this deficit by 31 March 2028.

The Scheme is classified as a 'last-man standing arrangement'. Therefore Housing Pathways Trust is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the Scheme. Participating employers are legally required to meet their share of the Scheme deficit on an annuity purchase basis on withdrawal from the Scheme.

The latest accounting valuation was carried out with an effective date of 30 September 2024. The liability figures from this this valuation were rolled forward for accounting year-end 31 March 2025.

The liabilities are compared, at the relevant accounting date, with the company's fair share of the Scheme's total assets to calculate the company's net deficit or surplus.

We were notified in 2021 by the Trustee of the Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee is seeking clarification from the Court on these items, and this process is ongoing with the Court's determination expected no earlier than Summer 2025. It is estimated that this could potentially increase the value of the full Scheme liabilities by £155m. We note that this estimate has been calculated as at 30 September 2022 on the Scheme's Technical Provisions basis. Until the Court direction is received, it is unknown whether the full (or any) increase in liabilities will apply and therefore, in line with the prior year, no adjustment has been made in these financial statements in respect of this.

Present Values of Defined Benefit Obligation, Fair Value of Assets and Defined Benefit Asset/(Liability)

	2025	2024
	£	£
Fair value of plan assets	351,000	660,000
Present value of defined benefit obligation	(406,000)	(820,000)
Surplus/(deficit) in plan	<u>(55,000)</u>	<u>(160,000)</u>

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2025

23. Pension Obligations (continued)

Reconciliation of opening and closing balances of the Defined Benefit Obligation

	2025	2024
	£	£
Defined benefit obligation at start of period	820,000	816,000
Current service cost	-	-
Expenses	3,000	3,000
Interest expense	40,000	39,000
Contributions by plan participants	-	-
Actuarial losses/(gains) due to scheme experience	(378,000)	3,000
Actuarial losses/(gains) due to changes in demographic assumptions	-	(9,000)
Actuarial losses/(gains) due to changes in financial assumptions	(65,000)	(15,000)
Benefits paid and expenses	(14,000)	(17,000)
Defined benefit obligation at end of period	<u>406,000</u>	<u>820,000</u>

Reconciliation of opening and closing balances of the Fair Value of Plan Assets

	2025	2024
	£	£
Fair value of plan assets at start of period	660,000	662,000
Interest income	33,000	33,000
Experience on plan assets	(371,000)	(49,000)
Contributions by the employer	43,000	41,000
Contributions by plan participants	-	-
Benefits paid and expenses	(14,000)	(27,000)
Fair value of plan assets at end of period	<u>351,000</u>	<u>660,000</u>

The actual return of the plan assets (including any changes in share of assets) over the period ended 31 March 2025 was (£338,000).

Defined Benefit costs recognised in Net Income/(Expenditure)

	2025	2024
	£	£
Current service cost	-	-
Expenses	3,000	3,000
Net interest expense	7,000	6,000
	<u>10,000</u>	<u>9,000</u>

Defined Benefit costs recognised in Other Gains and Losses

	2025	2024
	£	£
Experience on plan assets	(371,000)	(49,000)
Experience gains and losses arising on the plan liabilities	378,000	(3,000)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation	-	9,000
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation	65,000	5,000
	<u>72,000</u>	<u>(38,000)</u>

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2025

23. Pension Obligations (continued)

Assets

	2025	2024
	£000s	£000s
Global Equity	39	66
Absolute Return	-	26
Distressed Opportunities	-	23
Credit Relative Value	-	22
Alternative Risk Premia	-	21
Liquid alternatives	65	-
Emerging Markets Debt	-	9
Risk Sharing	-	39
Insurance-Linked Securities	1	3
Property	18	26
Infrastructure	-	66
Real Assets	42	-
Private Debt	-	26
Opportunistic Illiquid Credit	-	26
Private Credit	43	-
Credit	13	-
Investment Grade Credit	11	-
Cash	5	13
High Yield	-	-
Private Equity	-	1
Long Lease Property	-	4
Secured Income	6	20
Liability Driven Investment	106	268
Currency Hedging	1	-
Net Current Assets	1	1
Total Asset	<u>351</u>	<u>660</u>

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

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2025

23. Pension Obligations (continued)

Key Assumptions

	2025	2024
	% per annum	% per annum
Discount Rate	5.90	4.91
Inflation (RPI)	3.06	3.14
Inflation (CPI)	2.80	2.78
Salary Growth	3.80	3.78
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

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

	Life expectancy at age 65 (years)
Male retiring in 2025	20.5
Female retiring in 2025	23.0
Male retiring in 2045	21.7
Female retiring in 2045	24.5

24. Capital Commitments

At 31st March 2025 there were no commitments in relation to the refurbishment of the charity's properties or otherwise.

25. Contingent Liabilities

There were no contingent liabilities at 31st March 2025 or 31st March 2024, other than that of the potential employer debt on the Pension Scheme (Note 23).

26. Housing Stock

The number of units of housing owned by the Charity at 31st March 2024 and 31st March 2023 were:

Social Housing Accommodation

	2025	2024
	Units under ownership	Units under ownership
Alms-houses	254	254
General needs (Commercial)	9	9
Units let at market rents	13	13
Leaseholders	15	15
	<u>291</u>	<u>291</u>

Housing Pathways Trust**Notes To the Financial Statements****For The Year Ended 31st March 2025****27. Related Parties**

Housing Pathways was until 1st April 2022 the Corporate Trustee of Housing Pathways Trust and since this date has common trustees with the Charity. At 31st March 2025 the Charity owed £17,980 (2024: £150) to Housing Pathways.

The Charity has common trustees with King George V Memorial Houses and provides a management service to that charity. In the year ended 31st March 2025 charged £15,816 was charged. At the year end £72,793 (2024: £21,237) was owed by King George V Memorial Houses to the Charity.

In 2024, the Charity made a payment on behalf of Educational Foundation of Francis Courtney, with which it has common trustees. No payment was made to The Educational Foundation of Francis Courtney in 2025.

There were no trustees reimbursed expenses during the year. In 2024, two trustees were reimbursed travel expenses amounting to £738.

HOUSING PATHWAYS TRUST

England & Wales - Charity number 211053

Accounts

HOUSING PATHWAYS TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

Social Housing Regulator No. A0376

Charity Registered No. 211053

Housing Pathways Trust
Financial Statements
For The Year Ended 31st March 2024

Index

	Pages
Annual Report of the Trustees	1 – 18
Independent Auditors' Report	19 – 21
Statement of Financial Activities	22
Balance Sheet	23
Statement of Cash Flows	24 – 25
Notes to Financial Statements	26 – 46

Housing Pathways Trust
Annual Report of The Trustees
For The Year Ended 31st March 2024

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY

Charity Registration

Housing Pathways Trust is governed by a Scheme issued by the Charity Commissioners for England and Wales on the 18th May 2000 (consolidating Ealing Consolidated Charities, Bowman and Taylor Trust, Bowman and Others: Brentford Trust and Bowman Ecclesiastical Trust into The Ealing and Brentford Consolidated Charity, since renamed), as amended by resolution dated 24th March 2011 and as amended by a further Scheme issued on the 5th January 2012.

On 1st April 2022 the Charity Commission approved the merger of Housing Pathways Trust, Almshouse & Eleemosynary Charity and Pathways Jubilee Charity. The merged charity is known as Housing Pathways Trust (Charity number 211053) and a new scheme was issued on the 1st April 2022.

The charity is registered with the Regulator of Social Housing as a Registered Provider (No. A0376).

Principal and Administration Address

Registered office:
 33 Dean Court
 Bowmans Court
 Ealing,
 London
 W13 9YU

Trustees

Rev. Mark Melliush	Ex-Officio, Chair
Ms Isabella Rossi	
Mr Matthew Doyle	Retired 16 th October 2023
Ms Andrea Joseph	
Mr Joshua Reddaway	
Mr Andrew Jefford	Retired 14 th March 2023
Ms Fiona Howie	Appointed 13 th July 2023
Ms Tycia Riley	Appointed 13 th July 2023
Ms Alison Pegg	Appointed 9 th February 2024

Custodian Trustees:

Title to the charity's housing properties and investment properties is vested in the Official Custodian for Charities on behalf of Housing Pathways Trust.

**Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2024**

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY (continued)

Officers and advisors

Chief Executive Officer and management team

Steve McNaughton is employed as the Chief Executive on a part-time basis.

The operational manager Mike Smart left Housing Pathways Trust (HPT) in March 2023. A Senior Property Manager, Eoin Donnelly, was appointed in November 2023.

Bolaji Omotade was the Head of Finance & Company Secretary. She left Pathways in August 2024.

Principal Advisors

Principal Auditors

Knox Cropper LLP
Chartered Accountants
65 Leadenhall Street
London
EC3A 2AD

Principal Bankers

National Westminster Bank Plc
1 The Mall
Ealing
London
W5 2PL

Principal Solicitors

Devonshires
30 Finsbury Circus
London
EC2M 7DT

Principal Investment Managers

Rathbones (formerly
Investec Wealth & Investment Limited)
30 Gresham Street
London
EC2V 7QN, United Kingdom

Housing Pathways Trust Annual Report of the Trustees For The Year Ended 31st March 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Housing Pathways Trust is an unincorporated charity which is governed by a Scheme issued by the Charity Commissioners for England and Wales on 31st March 2022, effective from 1st April 2022. This Scheme represented the merger of Almshouse & Eleemosynary Charity and Pathways Jubilee Charity into Housing Pathways Trust. This Scheme replaced previous Schemes dated 18th May 2000, as amended by resolution dated 24th March 2011, and 5th January 2012.

The Charity is the consolidation of a number of smaller charities dating back to the sixteenth century with the areas of benefit incorporating the London Borough of Ealing and the town of Brentford. Under the new Scheme, the area of benefit is expanded, as set out in the Objects on page 4, in line with the location of almshouse properties now owned by the Charity.

How Trustees are Recruited, Appointed, Inducted and Trained

The Charity's Scheme provides for two ex-officio trustees, being the vicar for the time being of the ecclesiastical parish of St John with St James, West Ealing and the Rector for the time being of the ecclesiastical parish of St Paul's, Brentford, or their substitute. Additionally, the Archdeacon of Northolt may nominate one trustee.

There are no geographical restrictions on trustees' appointment and applications from persons living in Greater London boroughs, particularly where we have a presence, are welcomed. Vacancies are advertised in national media and across local networks. Applicants for trustee vacancies are interviewed by the Chair of the Board and at least one other trustee, usually from the nominations committee. New trustees have an induction session which covers core areas of the business.

Existing trustees also have access to ongoing training opportunities, to assist them in fulfilling their roles and responsibilities. In addition to the Board meetings, trustees attend an annual review day, which allows for detailed discussions on strategic planning issues.

Organisation and Management

The day-to-day management of the Charity is delegated to the Chief Executive and staff team. The Chief Executive reports to the Chair and the Board of Trustees of Housing Pathways Trust.

Housing Pathways Trust provides a full management service to King George V Memorial Houses, including all operational, administrative, and financial functions, for which it charges a management fee.

The Housing Pathways Trust Board usually meets six times a year to agree strategy, oversee operations, manage risk, and consider the financial standing of the Charity. In addition to the main meetings of the Board of Trustees, there are the following sub-committees which focus on specific areas of the business in more detail: Audit and Risk, Grants and Nominations. Governance matters are dealt with by the main Board, except that the nominations sub-committee oversees the recruitment of new Trustees.

The Board and each sub-committee have an agreed Terms of Reference, detailing their purpose and responsibilities. The key decision-making protocols are contained in the Committees' terms of reference and the Financial Standing orders, the latter being reviewed by the Audit and Risk Committee annually.

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

During the year, the two board members who retired from the board were appointed as co-optees to the committees. Janets Weekes was appointed as a co-optee to the Audit & Risk Committee and Katherine Yentumi was appointed to the Grant Committee as a co-optee.

The board considers a range of peer organisations' pay reviews as a benchmark, and the overall economic and regulatory conditions in which the Charity is expected to operate in the coming year. In assessing the April 2023 staff pay review, the prevailing CPI rate, the cost-of-living crisis, and its possible effect on the economy in general and house prices and rents in particular were considered.

Staff are responsible for carrying out the strategy agreed by the Board and the Chief Executive may act within the constraints of the overall expense budget agreed by the Board. The management team during the year is comprised in addition to the Chief Executive, a Housing team, and a Finance team.

OBJECTIVES AND ACTIVITIES

Objects

The objectives of the charity are:

Branch 1 (as amended by the Charity Commission order of 1st April 2022):

(1) The objects of branch 1 are:

- (a) the provision of relief for persons in the London boroughs of Wandsworth, Hackney, Waltham Forest, Enfield, Haringey, Greenwich, Newham, Tower Hamlets, Lambeth, Ealing and Hounslow who are in need, hardship or distress including, without limitation, provision of social housing and housing accommodation, including almshouse accommodation for beneficiaries subject to the provisions in subclauses (c), (d) and (e) below and provision of medical, domiciliary and other care through, among other things, making grants of money; and
- (b) Such charitable purposes for the benefit of the residents of the charity as the trustees decide.
- (c) Preference for appointing residents in the Victoria Almshouses shall be given to persons not less than 60 years old.
- (d) Preference for appointing residents in the Wheeler Homes shall be given to persons not less than 60 years old and members of the Church of England.
- (e) The trustees must retain 33 of the Jubilee properties for use by beneficiaries who are single women and must retain 50 of the Jubilee properties for beneficiaries who are over 50 years of age.
- (f) Subject to the provisions of clause 33 (Power to dispose of and replace purpose property), the land identified in part 1 of the schedule to this scheme must be retained by the trustees for use for the objects of the charity as set out in this clause 5(1).

Housing Pathways Trust Annual Report of the Trustees For The Year Ended 31st March 2024

OBJECTIVES AND ACTIVITIES (continued)

Branch 2

The objects of branch 2 are to further the religious and other charitable work of the Church of England in the London Borough of Ealing.

Branch 3

The objects of branch 3 are to promote the education of children who are in need of financial assistance and are resident in the London Borough of Ealing.

Charity's Aims

The Charity's aims are to manage and improve performance to achieve Value for Money and better economies of scale in order to compare well with the best in our sector.

Activities

The trustees have had regard to Charity Commission guidance on public benefit. The Charity's activities (as below listed) meet the two key principles of public benefit as set out in Charities and Public Benefit which are that:

- a) There must be an identifiable benefit or benefits.
- b) benefit must be to the public, or section of the public.

Housing for Older People

The Charity owns and manages 234 units of housing accommodation across sixteen sites based in London borough of Ealing, Enfield, Greenwich, Hackney, Haringey, Newham, Waltham Forest, and Wandsworth which are let to older people who meet the below qualifying criteria: -

- (a) aged 50 years or over;
- (b) resident now and for the past 2 years in some of the borough listed above
- (c) capable of living independently; and,
- (d) of limited means.

A further 8 units are let to general needs residents. The weekly maintenance contribution (i.e. the housing charge for the accommodation) is set in accordance with the Social Housing Regulator's rent formula. Additionally, there are 13 units let privately at market rents because older residents could not be found, or they were considered unsuitable for social housing use.

In total the charity owns and manages 255 units (2023: 255 units) of accommodation consisting of 234 for older people across 16 sites, 8 general needs units across 2 sites and 13 units (2023: 13 units) let on private rents. The increase from the prior year reflects the merger with Pathways Jubilee Charity and Almshouse and Eleemosynary Charity.

Allotments

The Charity owns two large allotment sites in Ealing which are let to residents of the borough. A committee of plot-holders manages each of these. The Charity offers concessions for people on a low income whilst others pay the full rent.

Ealing Green

The Charity owns the freehold of a building overlooking Ealing Green and adjacent to the Ealing Broadway Shopping Centre. The building consists of a small parade of 8 shops with 13 apartments above. The flats are all let on long leases, whilst the shops are let on a fixed term of 10 years with various expiry dates.

Housing Pathways Trust Annual Report of the Trustees For The Year Ended 31st March 2024

OBJECTIVES AND ACTIVITIES (Continued)

Grants

Surplus income generated from the above retail activity at Ealing Green funds the Charity's main grants programme in Branch 1.

Grants are also provided under:

- Branch 2 from an ecclesiastical fund to recipients determined by the Ealing Deanery Synod.
- The Grassroots fund.

The main grants programme covers Ealing, Brentford, and its neighbourhood. The grant giving policy contributes to our aims and objectives as it covers a number of criteria so that we consider applications from organisations or projects that:

- Strengthen the local voluntary and community sector.
- Aim to alleviate poverty by tackling root causes.
- Promote healthy living among disadvantaged groups.
- Help disadvantaged people in the community to access local services.
- Improve educational and employment opportunities.
- Tackle homelessness
- Overcome isolation.
- Support victims of domestic violence
- Provide counselling and support services.
- Meet the need of disadvantaged people who have or care for those with disabilities.
- Promote social cohesion and/or cross-generational activities.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE

Distributive grants

Overall grants awarded by Housing Pathways Trust in 2023-24 amounted to £134,849 (2023: £88,086).

The main Pathways Grants programme is funded from the net rental income derived from our commercial shops at The Green, Ealing.

Our main programme strategy is to fund work which benefits people in communities. We support full cost recovery and will consider giving grants for up to 3 years for organisations that are able to demonstrate that they have monitored and evaluated their work, have learned lessons and refined their approach, and have achieved their stated results. However, we do generally limit our programme to small organisations defined as those with an annual income of less than £100,000 a year.

Main programme recipients were as follows:

Recipients:	Project	Grant
Creative Mile	The Creative Mile is an arts trail in Brentford, bringing artists, makers and community together in 16 venues, over 3 days in September. 70 plus artists usually isolated and working alone, exhibit and sell their work. The local community who will benefit include residents and visitors who will engage with artists and build relationships.	£3,600
Into the Light	The funding enabled Into the Light to alleviate the negative consequences of those experienced abuse by:	£2,166

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2024

	<ul style="list-style-type: none"> • Providing group support, psycho-educational courses, workshops, information & resources and one to one work for women and men who have been abused as children. • Offering training, workshops and seminars to the partners, carers and families of men and women who have been sexually abused. • Increasing public awareness on issues relating to sexual abuse of men and women as children. 	
Gurnell Grove Community Trust	The Gurnell Grove Community Trust, known as "The Grove Community" is a church based organisation which aims to see community transformed, lives changed and hope restored on the deprived Gurnell Grove Estate in Ealing.	£9,814
Positive Impact Community	Positive Impact Community works with Black and Minority Ethnic community who are affected by mental health illnesses, learning disability, those with drug addiction, and other mainstream drugs. Their mission is to challenge the Black and Minority Ethnic community's perceived views about mental health, particularly Somali, Arabs and Muslim Minorities, including shame and negative stigma through education, and liaise between Ealing Mental Health Teams and Black and Minority Ethnic young people, and their families	£16,000
Ealing Mencap	The funding supported the provision of an advice worker to provide advice and support to people with learning, and other disabilities, to fully enjoy their rights and provide opportunities for them to live as independently as possible	£5,000
Ealing and Hounslow Community Voluntary Service	Digital inclusion project established at West Ealing Community Managed Library (W13) and extended across Ealing (W5) and Hanwell (W7) to place devices into the most vulnerable sections of the community, empowering residents with digital access and reducing digital isolation and exclusion.	£10,000
Women's Trust	Grant to help sustain Woman's Trust capacity to deliver one-to-one specialist domestic abuse counselling to support women from Ealing (W5, W7 or W13 postcodes). The grant specifically enabled 9 women to access services. The project helps women explore, understand, and overcome their experiences of domestic abuse.	£10,000
Bless Community Church	Bless Community Church's grant funding was for the following purposes: 1. To fund 'Playtime' young families' work - a weekly gathering for young children and their parents / carers. 2. To fund 'Playtime Plus' parents mentoring / support group 3. To provide essential training for staff and volunteers	£29,300
Welshore Community Hub	The Hub's aims are to increase networking between formerly isolated groups, to promote values of equity, inclusiveness, participation co-operation, and to support and develop residents' groups, thereby empowering residents and resident groups to influence and transform public policies and services, and all factors affecting the conditions of their lives. The grant specifically helped maintain the operation of the foodbank operated by the charity	£10,000

**Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2024**

Centre For Armenian Advice & Information	Support towards the cost of employing an advice worker (and running costs). The Advice Worker provides 1-to-1 advice to Armenian people annually living in Ealing and Hounslow on complex situations involving welfare benefits, money, housing, and employment issues, so that in total 550+ people annually can get help 5 days per week, 48 weeks per year, whether they approach CAIA in person, by phone or online.	£10,000
St Mellitus Hanwell	The charitable aim of the organisation overall is to promote the whole mission of the church in its local area. This includes welcoming all those in our local community, and looking to meet their physical, mental and emotional needs. The funding was for a project to renovate and equip a garden space in order to allow activities and enable outcomes that are not currently possible for the relevant groups in our community.	£10,000
BEfriend	BEfriend were funded a contribution towards their flagship project BEfriend Ealing. Over a 12-month period, support was provided to up to 100 people over the age of 65 experiencing chronic and prolonged loneliness and isolation due to age, frailty, disability, or poor health, to feel less lonely and more connected to the wider community.	£10,000
Znaniye Foundation	Znaniye Foundation sought funding for their Self-Expression and Youth Engagement Programme, which specifically targets the needs of local Ealing students aged 5 to 15. The overarching aim of the programme is to provide a safe and nurturing environment for young people, enabling them to explore their emotions, develop social skills, and address prevalent issues within the community. By offering a weekly outlet for self-expression, Znaniye Foundation aim to create a positive environment that fosters community integration, overcomes isolation, and provides opportunities for disadvantaged youth.	£8,970
	Unspent grant returned by grantee	£(6,350)
		£128,499

Distributive grants (continued)

Branch 2 grants are administered by the Ealing Deanery Synod, who handle all grant administration including seeking and assessing applications, deciding on grant recipients, carrying out all appropriate monitoring, and providing subsequent grant evaluations for scrutiny purposes. In 2023-24 the Synod was granted £17,582 (2023: £22,670) to award to their agreed recipients. Whilst each of the grants is small in value, there is a real and very beneficial impact on the churches involved and their level of outreach.

Church Community	Project	Amount
St Mary's, Ealing	South Ealing Community Food Cupboard	£750
The Ascension, Hanger Hill with St Mary's West Twyford	Parish publicity to new or hard to access housing	£2,000
St Paul's Ealing	Ealing Community School of English	£1,500
St Barnabas, Pitshanger	Children's Worker for Noisy Mass	£1,500
St Martin's, West Acton	Support for Ukrainian refugee	£300

**Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2024**

St Dunstan's, East Acton	Garden Club and Muddy Church	£2,000
St Dunstan's, East Acton	Acton Asylum Seeker drop-in	£2,000
Holy Cross, Greenford	Internal notice boards	£1,000
Christ the Redeemer Southall	Loop system incorporating the audio system	£2,000
All Hallows, Greenford	All Hallows Community Jubilee Party	£2,000
St Thomas Hanwell	Church Hall Notice Board	£2,000
St Mellitus with St Mark	New external notice boards	£1,620
St John's Southall Parish	Food Hub	£2,000
St George's, Southall	Youth Discipleship Cells	£2,000
	TOTAL APPROVED	£17,582

Housing for Older People

In 2023-24 we housed 19 new residents in our Almshouse accommodation for older people.

During the year we completed improvements to properties, including:

- Eight new bathrooms and wet rooms installed in Dean Court, Jubilee Trust, Dovedale Cottage and Abraham Dawes.
- Replacement of five boilers and hot water cylinders at in Dean Court, Bowmans Court, Vaughan Court, and Victoria Homes.
- LED lighting upgrade and electric works at Bowmans Court, Jubilee Trust, and Dovedale Cottages.
- Replacement of eleven new kitchens in the following schemes- Dean Court, Abraham Dawes, Woolwich Parochial, Tawny Close, Jubilee Trust, and Dovedale Cottages.
- Installation of a new video entry door and fire door replacement at Dovedale Cottages.

Commercial Property

Our commercial property consists of a parade of shops at 19 to 26 The Green, with 13 apartments above, all let on 125-year leases. It is a well-known local landmark, on a busy route into Ealing Broadway, and is in a conservation area.

Compared to the previous year, impacted by the Covid-19 pandemic, the businesses occupying the commercial premises have recovered positively.

During the year a member of the property management team was delegated with the responsibility of liaising with the commercial tenants and our commercial advisors Willmotts Estates. This has resulted in a significant reduction in rent arrears; optimising rent levels; and improved allocation of vacant premises.

Investments

The Charity's investment portfolios managed by Investec produced total returns after fees of 8.89% and 7.37% compared to the benchmarks returns of 15.84% and 10.37%. Similar gains were suffered on the Charity's holdings in M&G and CCLA managed funds.

Housing Pathways Trust Annual Report of the Trustees For The Year Ended 31st March 2024

REVIEW OF ACHIEVEMENTS AND PERFORMANCE (continued)

Allotments

Demand for our allotments remains high and over-subscribed. The day-to-day responsibility for allotment management is in the hands of plot-holders committees, the Ealing Dean Allotment Society, and the Haslemere Allotments Association, under a management agreement signed between the Charity and each committee. The allotment committees are paid a management fee to fund day-to-day maintenance and administration and the Charity pays for major works. The arrangements are working very well, and we are appreciative of the efforts of the two committees.

The Allotments has proved a real sanctuary for plot holders. The allotments provided a vital open space where people could get fresh air, exercise and, of course, grow their own healthy fruit and vegetables. The allotment site offered a refuge where you could talk to your plot neighbours and friends. Many plot holders said it was a 'lifeline' for both their physical and mental health.

VALUE FOR MONEY (VFM)

Our aim is to deliver services of the right quality economically, efficiently, and effectively, thus meeting the needs of our residents and all other stakeholders. Housing Pathways Trust is committed to continuously improving our VFM for our residents in all aspects of our business.

Assessment of how Housing Pathways Trust is achieving value for money

An overarching strategic objective is to ensure Value for Money is embedded across all areas of the business. The board's approach to delivering value for money is one that considers quality; resident satisfaction; and price. When assessing value for money the charity will aim to measure the impact on the lives of residents; the quality of service delivery; the impact on the organisation's capacity to ensure compliance with regulatory and legislative requirements; and will assess the long term viability of the property portfolio.

The following examples illustrate the approach to value for money during the year:

Governance:

The biggest single contributory VFM action was the merger of Pathways' legacy charities approved by the Charity Commission on 30 March 2022. The merger created a platform to enable the charity to embark on a programme of reducing overheads and streamlining service delivery.

Trustees approved a revised VFM strategy in April 2023. Board reports and financial reviews routinely measure the impact of value for money by balancing cost, quality and resident satisfaction. The Charity has the facility to compare costs and satisfaction by being an active member of an established bench-marking group and forging links with similar sized housing organisations. The Association is affiliated to a number of professional and trade bodies to keep abreast of best practice and significant sector wide developments.

Housing Pathways Trust is a charity regulated by both the Charity Commission and the Regulator of Social Housing. As a registered provider of social housing the charity has adopted the 2020 National Housing Federation Code of Governance. A self-assessment against the code scored a 96% compliance score.

Financial performance: Total arrears for the year was 4% of the annual debit across all tenures. The total includes money owed by housing benefit. This figure compares favourably to other multi-tenure social landlords. The number of empty properties requiring refurbishment increased during the year. This resulted in an increase in the income lost due to properties being empty pending refurbishment and repair. An improved allocations process has been adopted by the team and new contractors have been engaged with the objective of delivering improvements in voids and allocations.

Housing Pathways Trust Annual Report of the Trustees For The Year Ended 31st March 2024

Managing property assets: As a small provider of housing the team are able to maintain accurate and up to date records relating to stock condition. The data collected has enabled effective long term planning to ensure properties are safe, well-maintained and remain relevant to changing market demands.

Employee skills: The charity invests in employee development and has a multi-disciplinary property management team. The skill set of employees. Staff are encouraged to learn and develop to the mutual benefit of themselves and the business. Housing staff are trained to possess a broad knowledge of housing related disciplines to ensure the properties are maintained and managed to a high standard.

Landlord Property Compliance: The charity has a robust approach to landlord property compliance, achieving 100% across key areas that are reported to each meeting of the board. This approach ensures the safety and security of residents, protecting the organisation from adverse litigation and publicity. This has been augmented by the introduction of new software and delegating the reporting of compliance performance to a member of staff.

Technological investment: Since 2022 the charity has invested in API (Application programming interface) technology. API applications interface with one another, are low cost, and deliver significant efficiencies, in particular relating to financial administration. The technology has enhanced communications and enabled staff to work flexibly, targeting resources where most needed.

Operational Efficiencies: Since 2021 the composition of the senior management team has reduced from 4 employees to 2.5 employees. Salary and pension represent 19.2% of turnover, below the median benchmarked median of 21%. This increases to 22.8% when the costs of temporary agency staff is included in the data. There is a strategy in place to reduce agency costs to ensure overall staff costs are 19% of turnover.

When possible the association will seek to develop and harness in house skills. This is demonstrated by ongoing training of staff in identifying property defects and ensuring buildings are compliant with health and safety legislation.

During the year grant administration was streamlined and at the same time the volume and value of applications increased compared to the previous year. Grants administration is subject to an independent review in 2024. It is expected the recommendations contained in the review report will enable the charity to continue improvements to the way in which the grants programme is marketed and administered.

Resident satisfaction: The charity aims to deliver excellent services combined with safe, secure and well maintained housing. This social purpose of the charity reduces demand on statutory services allowing resources to be deployed elsewhere. During the year the charity reinforced the commitment to listening to residents and delivering resident focused services. The 3rd annual resident conference held in May 2023 was the best attended conference to date. The 'you said, we did' culture embraced by the team built confidence and trust in the services provided. Anecdotal evidence received during the year recorded an increase in resident satisfaction. This increase was affirmed with the publication of an independent resident survey report recording an overall satisfaction score of 89%. This score compared favourably to peers and was a significant improvement on the previous 2020 survey recording 77% overall satisfaction.

Complaints: As a registered provider of social housing the charity has adopted the Housing Ombudsman complaints handling code. During the year the charity received 10 complaints, 7 of which were received by residents. 6 of the total complaints related to customer service and 2 of the total complaints related to communication.

Procurement: During the year the organisation made progress with reducing utility bills and obtaining refunds from utility providers. New contractors have been engaged to support the charity delivering VFM objectives. This is best illustrated with the engagement of new fencing contractor that reduced the cost of installing new fencing by 50%.

The VFM reporting and analysis is now focused on the seven key metrics which are used for comparison across the sector. The peer group median used comprised 34 smaller housing associations primarily providing

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2024

Housing for Older People accommodation nationally and of which 20 members' data was included in the calculation.

Value for Money Key Metrics

	HfOP peer group 2023-24	Housing Pathways Trust
<p>1. Reinvestment % Considers the investment in properties (existing stock as well as new supply) as a percentage of the value of total properties held.</p>	3.10%	3.81%
<p>2. New Supply Delivered % The number of new social housing and non-social housing homes that have been acquired or developed in the year as a proportion of total social housing and non-social housing homes owned at period end. A. New supply delivered (Social housing homes) B. New supply delivered (Non-social housing homes)</p>	0% 0%	0% 0%
<p>3. Gearing % Assesses how much of the adjusted assets are made up of debt and the degree of dependence on debt finance.</p>	7.842%	(3.89)%
<p>4. Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs Included (EBITDA MRI) Interest Cover %. A key indicator for liquidity and investment capacity. Measures the level of surplus generated compared to interest payable</p>	319.02%	104%
<p>5. Social Housing Cost Per Unit The headline social housing cost per unit as defined by the Regulator</p>	£6915	£8,426
<p>6. Operating Margin% Demonstrates the profitability of operating assets before exceptional expenses are taken into account. Increasing margins are one way to improve the financial efficiency of a business. A. Operating Margin (social housing lettings only) B. Operating Margin (overall) after adjusting for impairment and merger costs</p>	10.9%	(9.66)% 0.7%
<p>7. ROCE % Compares the operating surplus to total assets less current liabilities. An assessment of the efficient investment of capital resources.</p>	2.2%	(0.07)%

Housing Pathways Trust

Annual Report of The Trustees

For The Year Ended 31st March 2024

VALUE FOR MONEY (continued)

The Charity's VFM metrics around Gearing and EBITDA compare favourably to its peer group, a reflection of the relatively low level of borrowing. However, the metrics for Operating Margin and ROCE are not so favourable which reflects the Charity's non-housing activities including grant-giving. Cost pressures in respect of maintenance and services have caused an increase in cost per unit and a decline in social housing lettings operating margin.

Key Performance Indicators (KPIs)

As members of the Housing for Older People benchmarking group, run by Acuity, which comprises about 34 similarly sized housing providers. We have access to a range of KPIs, both for the immediate group and national comparisons with Housemark, enabling us to compare performance and share good practice to drive improvements and reporting to stakeholders. The KPIs cover areas of organisational performance including resident satisfaction, value for money, repairs, lettings, voids, and compliance but they also provide benchmarking information on areas such as average working days lost due to staff sickness days.

TENANT SATISFACTION MEASURES

Housing Pathways Trust is an alms-house provider registered is a registered provider of social housing regulated by the Regulator of Social Housing (RSH). On 1 April 2023 the RSH published a new system for assessing how well social housing landlords in England are doing at providing good quality homes and services. The system is referred to as tenant satisfaction measures (TSM's). The measures are a list of indicators that social housing landlords must report on.

TSMs collected from Housing Pathways Trust resident perception survey

TP01	Overall satisfaction – 89%
TP02	Satisfaction with repairs – 88%
TP03	Satisfaction with time taken to complete most recent repair – 88%
TP04	Satisfaction that the home is well maintained – 84%
TP05	Satisfaction that the home is safe – 90%
TP06	Satisfaction that the landlord listens to tenant views and acts upon them – 79%
TP07	Satisfaction that the landlord keeps tenants informed about things that matter to them – 84%
TP08	Agreement that the landlord treats tenants fairly and with respect – 86%
TP09	Satisfaction with the landlord's approach to handling complaints – 61%
TP10	Satisfaction that the landlord keeps communal areas clean and well maintained – 84%
TP11	Satisfaction that the landlord makes a positive contribution to neighbourhoods – 78%
TP12	Satisfaction with the landlord's approach to handling anti-social behaviour – 77%

TSMs generated from Housing Pathways Trust management information

CH01	Complaints relative to the size of the landlord – 6.2
CH02	Complaints responded to within Complaint Handling Code timescales – 100%
NM01	Anti-social behaviour cases relative to the size of the landlord - 0
RP01	Homes that do not meet the Decent Homes Standard - 0
RP02	Repairs completed within target timescale – not available
BS01	Gas safety checks – 100%
BS02	Fire safety checks – 100%
BS03	Asbestos safety checks – 100%
BS04	Water safety checks – 100%
BS05	Lift safety checks – 100%

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2024

FINANCIAL REVIEW

The Charity recorded a net movement in funds of £224,298 (2023: £(391,931)). Net Income before investment movements amounted to £4,443 (2023: £263,868) whilst investment movements were positive with gains on investments of £257,855 and compared to losses on investments of 248,299 and losses on investment properties of £376,500 in the prior year.

Within the net movement in funds, the Charity made a deficit on Almshouse Accommodation of £267,630 (2023: deficit of £143,115). Non-social housing activities including allotments, commercial properties produced income of £543,862 (2023: £527,425) and income from fixed asset investments amounted to £144,456 (2023: £127,276). Grants payable and associated costs were £181,224 (2023: £109,370). After interest, investment fees and movement in the fair value of the investment properties and fixed asset investments, the charity ended the year with a net income of £262,298 (2023: net expenditure of £360,931). Actuarial movements on the Social Housing Pension Scheme amounted to losses of £38,000 compared to losses of £31,000 in 2023.

Reserves Policy and Reserves

Designated reserves are maintained in accordance with guidance issued by the National Almshouse Association for the cyclical maintenance and repair of the properties. Details of the designated reserves can be found in note 20. The Trustees continue to review the Charity's reserves.

Total Funds at 31st March 2024 of £21,935,388 (2023: £21,711,090) comprising Restricted Funds of £3,109,943 (2023: £3,173,691), Permanent Endowment Funds of £14,435,536 (2023: £13,538,705) and Unrestricted Funds of £4,389,909 (2023: £4,998,694) including Designated Funds of £2,453,482 (2023: £2,341,262) including a grant reserve of £269,073, and maintenance reserves totalling £2,184,409.

The level of maintenance reserves is considered adequate to cover any such costs that are likely to be charged to the revenue account. General funds amount to £1,936,427 and are in place to ensure ongoing trading in the event of any material loss of income, and as a result of the need to build up liquidity to fund future capital costs of Planned Maintenance and expansion of our housing stock. After making allowance for tangible fixed assets used for the charity's activities, reserves amounted to £1,737,184.

Investment Policy

The investment policy lodged with Investec is to invest prudently in a broad range of fixed interest securities and equities, which are quoted on a Registered Investment Exchange, and unit trusts, within an agreed range of percentage holdings for each class of investment. A Balanced objective has been adopted, seeking long term real return on capital as well as income. Companies engaging in or earning more than 10% of their profits from "home collected credit" represent the only ethical restriction in force. The charity also has investments in the M&G Charity Multi Asset Fund and M&G Equities Investment Funds which both seek a combined income and capital real return. The investment policy will be reviewed in March 2025.

Risk Management

The major risks to which the Charity is exposed, as identified by the Trustees, are regularly reviewed. In addition, the Trustees have put in place systems, policies, and procedures to mitigate these risks once they are identified and assessed. All reports presented to Board and sub-committees include an executive summary of risk which cross refers to the risks identified in the key risks register.

The key risks and uncertainties facing the charity cover several areas of operation and are controlled using procedures and sub-committee overview. The audit and risk committee agree the internal audit cycle with the next internal audit due to take place 2025. The audit and risk committee review the risk register at least annually. Key risks to the charity include ongoing inflationary pressures impacting the cost to maintain the property portfolio; compliance with landlord health and safety legislation including fire, damp and mould; and compliance with the regulatory framework set out by the regulators. Other risks identified are breach of legislation or covenants, ability of residents to maintain payments and misappropriation of funds through fraud.

Housing Pathways Trust Annual Report of the Trustees For The Year Ended 31st March 2024

Fraud

The Board has a policy on fraud covering prevention, detection and reporting of fraud and the recovery of assets. The Chair and Audit and Risk Committee Chair are notified immediately of any attempted fraud.

Anti-bribery policy statement

We seek to maintain the highest standards of ethics and integrity in the way we conduct our business. We recognise that bribery and corruption in all its forms, is illegal and unacceptable. Our bribery policy statement has been integrated into our code of conduct and our gifts and hospitality policy, adopted by the Board, signed by the Chair and Chief Executive. We expect our business partners to adopt a similar approach to bribery or corruption.

FUTURE PLANS

Our key priorities are to:

- Continue to improve customer satisfaction and deliver value for money services
- Undertake planned maintenance across the alms-houses in accordance with our stock condition survey and asset plan agreed by trustees
- To reduce costs where we can and seek better Value for Money
- Ensure 100% compliance in line with legislative and regulatory expectations

The Board is in the process of reviewing Housing Pathways Trust's asset management strategy alongside developing a revised 25 years financial plan that will underpin the ambitions set out in the asset management plan. We will continue to seek to reduce our cost base and improve Value for Money in accordance with the standard whilst driving and improving performance against the seven key metrics year on year.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities in England and Wales and Registered Social Housing legislation requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity at the year end and of the surplus or deficit of the charity for that period. In preparing those financial statements at the year end, the Trustees should follow best practice and:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue to operate.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Social Housing 2022. The Trustees are responsible for taking reasonable steps to safeguard the assets of the Charity and for the prevention and detection of fraud and other irregularities.

AUDITORS

Knox Cropper LLP have expressed their willingness to continue in office and a resolution for their reappointment is deferred to the next Board meeting – November 2023.

The Board of Housing Pathways Trust would like to record their particular appreciation of the assistance provided by Matthew Elkins and his colleagues at Knox Cropper.

TRUSTEES' STATEMENT ON INTERNAL FINANCIAL CONTROLS

The Trustees acknowledge their ultimate responsibility for ensuring that Housing Pathways Trust has in place a system of controls that is appropriate to the various business environments in which it operates.

**Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2024**

These controls are designed to give reasonable assurance with respect to:

- (a) the reliability of financial information used within the charity or for publication
- (b) the maintenance of proper accounting records, and
- (c) the safeguard of assets against unauthorized use or disposition

It is the Trustees' responsibility to establish and maintain systems of internal financial control. Such systems can only provide reasonable but not absolute assurance against material financial misstatement or loss. Key elements include ensuring that:

- (a) formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the charity's assets.
- (b) experienced and suitably qualified staff take responsibility for important business functions.
- (c) forecasts and budgets are prepared which allow the Trustees and management to monitor the key business risks and financial objectives and progress towards financial plans set for the year and medium term; regular management accounts are prepared promptly; providing relevant, reliable and up-to-date financial and other information and significant variance from budgets are investigated as appropriate.
- (d) all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through relevant sub-committees comprising the Trustees and others.
- (e) the Trustees reviews reports from management and from external auditors to provide reasonable assurance that control procedures are in place and are being followed. This includes a general review of the major risks facing the charity.
- (f) the Trustees have reviewed the effectiveness of the system of internal financial controls in existence in the charity for the year ended 31st March 2023 and up to the date of this report. No weaknesses were found in internal financial controls, which require disclosure in the financial statements or in the auditors' report in the financial statements.

CHAIR'S REPORT

Pathways feels like a family of friends, from the great relationships between staff in the office through to the friendly chats that I hear between staff and residents.

This last year has seen our 'customer satisfaction' survey come back with some very encouraging facts. We have improved in all areas of service to our community. Repairs are being actioned faster with our residents suggesting that the service has improved. Complaints are down in number and if they do come in are being dealt with quickly and efficiently.

Overall, everyone is feeling we as an organisation are providing a really good service.

None of this would be possible without a settled staff team and a good board of trustees. A huge thank you must first go to our CEO, Steve McNaughton who has helped to lead Pathways in a way that makes us better in so many ways. However it's not just Steve but our wonderful staff who work so well together.

Then of course there are the Board members who all give of their time to ensure that we are in a secure financial place and are investing in the areas we should be.

**Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2024**

CHAIR'S REPORT (continued)

Our priority as Pathways is always to have the care and wellbeing of our residents at the forefront of everything we do. We want to ensure that our residents have the security of a good home that is looked after and safe to live in. This is why we are investing so much in our repairs and property development.

This report shows that we are in a healthy place as an organisation to deliver all that we aspire to deliver and I encourage you in the reading of it.

Approved by the Board of Directors at its meeting on Tuesday 24 September 2024 and signed on its behalf by:

Mark Melliush



[Mark Melliush \(Sep 27, 2024 20:41 GMT+1\)](#)

Chair of Housing Pathways Trust

Housing Pathways Trust

Independent Auditor's Report to the Trustees of Housing Pathways Trust

For The Year Ended 31st March 2024

Opinion

We have audited the financial statements of Housing Pathways Trust (the 'charity') for the year ended 31st March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st March 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011, the Housing and Regeneration Act 2008, and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company'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.

Our opinion on the financial statements does not cover the other information and 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.

Housing Pathways Trust

Independent Auditor's Report to the Trustees of Housing Pathways Trust

For The Year Ended 31st March 2024

Matters on which we are required to report by exception

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

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

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant are the Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Housing and Regeneration Act 2008 and the Accounting Direction for Social Housing in England 2022.
- The Charity is required to comply with charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.
- We understood how the charity is complying with those frameworks via communication with those charged with governance, together with the review of the charity's documented policies and procedures.
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements. These included risks associated with Revenue Recognition, application of accounting estimates, and Management Override of Controls, which were discussed and agreed by the audit team.

Housing Pathways Trust

Independent Auditor's Report to the Trustees of Housing Pathways Trust

For The Year Ended 31st March 2024

Auditor's responsibilities for the audit of the financial statements (continued)

- Our approach included agreeing the charity's recognition of income to the terms of the underlying grant agreements and associated correspondence, the review of journal entries processed in the accounting records and the investigation of significant and unusual transactions identified from our review of the accounting records.
- Our approach was also to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the directors with respect to the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the charity.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

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



Knox Cropper LLP
Chartered Accountants and Statutory Auditors
65 Leadenhall Street
London EC3A 2AD

_____ 2024

Knox Cropper LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Housing Pathways Trust

Statement of Financial Activities

For The Year Ended 31st March 2024

	Notes	2024				2023			
		Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Income from									
Donations and Grants		2,320	-	-	2,320	2,000	-	-	2,000
Charitable Activities	2								
<i>Almshouse Accommodation</i>		1,820,172	-	-	1,820,172	1,762,406	-	-	1,762,406
<i>Allotments</i>		23,918	-	-	23,918	12,724	-	-	12,724
Other Trading Activities	3	210,111	-	-	210,111	224,746	-	-	224,746
Investments	4	445,657	8,632	-	454,289	409,141	8,090	-	417,231
Other		-	-	-	-	-	-	-	-
		<u>2,502,178</u>	<u>8,632</u>	<u>-</u>	<u>2,510,810</u>	<u>2,411,017</u>	<u>8,090</u>	<u>-</u>	<u>2,419,107</u>
Expenditure on									
Raising Funds	5	202,029	1,929	5,659	209,617	109,934	1,921	5,635	117,490
Charitable Activities	6								
<i>Almshouse Accommodation</i>		1,689,339	83,366	315,097	2,087,802	1,542,324	85,280	277,917	1,905,521
<i>Allotments</i>		26,244	-	1,480	27,724	21,378	-	1,480	22,858
<i>Grant making</i>		180,695	-	529	181,224	108,841	-	529	109,370
		<u>2,098,307</u>	<u>85,295</u>	<u>322,765</u>	<u>2,506,367</u>	<u>1,782,477</u>	<u>87,201</u>	<u>285,561</u>	<u>2,155,239</u>
Gains/(losses) on investments	15	206,070	12,915	38,870	257,855	(192,916)	(13,075)	(42,308)	(248,299)
Gains/(losses) on investment properties	11	-	-	-	-	-	-	(376,500)	(376,500)
Net income/(expenditure)		<u>609,941</u>	<u>(63,748)</u>	<u>(283,895)</u>	<u>262,298</u>	<u>435,624</u>	<u>(92,186)</u>	<u>(704,369)</u>	<u>(360,931)</u>
Actuarial gains/(losses)	23	(38,000)	-	-	(38,000)	(31,000)	-	-	(31,000)
Transfers between funds	20	(1,180,726)	-	1,180,726	-	(4,866,671)	-	4,866,671	-
Net movement in funds		<u>(608,785)</u>	<u>(63,748)</u>	<u>896,831</u>	<u>224,298</u>	<u>(4,462,047)</u>	<u>(92,186)</u>	<u>4,162,302</u>	<u>(391,931)</u>
Funds brought forward 1st April 2023		4,998,694	3,173,691	13,538,705	21,711,090	9,460,741	3,265,877	9,376,403	22,103,021
Funds carried forward 31st March 2024		<u>4,389,909</u>	<u>3,109,943</u>	<u>14,435,536</u>	<u>21,935,388</u>	<u>4,998,694</u>	<u>3,173,691</u>	<u>13,538,705</u>	<u>21,711,090</u>

Housing Pathways Trust**Balance Sheet****As At 31st March 2024**

	Notes	2024		2023	
		£	£	£	£
Fixed Assets					
Housing Properties	10		11,675,740		11,623,708
Investment Properties	11		4,413,500		4,413,500
Other Fixed Assets	12		1,357,082		1,385,988
Social Investments	14		-		-
Investments	15		4,686,026		4,373,678
			<u>22,132,348</u>		<u>21,796,874</u>
Current Assets					
Trade and Other Debtors	16	201,595		280,487	
Cash and Cash Equivalents		<u>1,220,751</u>		<u>1,892,232</u>	
		<u>1,422,346</u>		<u>2,172,719</u>	
Creditors: Amounts falling due within one year	17		<u>(673,185)</u>		<u>(670,804)</u>
Net Current Assets			749,161		1,501,915
Total Assets less Current Liabilities			<u>22,881,509</u>		<u>23,298,789</u>
Creditors: Amounts falling due after more than one year	18		(786,121)		(1,433,699)
Provisions for liabilities	23		<u>(160,000)</u>		<u>(154,000)</u>
Net Assets			<u>£21,935,388</u>		<u>£21,711,090</u>
Funds					
Permanent Endowment	20		14,435,536		13,538,705
Restricted Funds	20		3,109,943		3,173,691
Unrestricted Funds	20		<u>4,389,909</u>		<u>4,998,694</u>
Total Funds			<u>£21,935,388</u>		<u>£21,711,090</u>

The financial statements were approved by the Trustees on2024 and signed on its behalf by:

Mark Melluish

Mark Melluish (Sep 27, 2024 20:41 GMT+1)

Trustee

Mark Melluish (Chair)


Joshua Reddaway

Joshua Reddaway (Sep 27, 2024 18:02 GMT+1)

Trustee

Joshua Reddaway (Chair of audit and risk committee)

Housing Pathways Trust
Statement Of Cash Flows
For The Year Ended 31st March 2024

	Notes	2024 £	2023 £
Net Cash generated from Operating Activities	A	543,225	618,157
Cash Flows from Investing Activities			
Capitalised works to existing housing properties		(444,996)	(184,426)
Purchase of other fixed assets		(3,000)	(31,235)
Repayments of Social Investments		-	436
Proceeds from sale of investments		534,012	1,944,029
Additions to investments		(553,009)	(2,121,167)
Investment management fees		(20,025)	(19,330)
Investment income and bank interest received		133,004	115,739
Net Cash generated from/(used in) Investing Activities		<u>(354,014)</u>	<u>(295,954)</u>
Cash Flows from Financing Activities			
Interest paid		(96,837)	(67,533)
Repayment of Loans		(738,190)	(75,064)
Net Cash (used in)/generated from Financing Activities		<u>(835,027)</u>	<u>(142,597)</u>
Net Change in Cash and Cash Equivalents		(645,816)	179,606
Cash and Cash Equivalents at the beginning of the year		1,914,483	1,734,877
Cash and Cash Equivalents at the end of the year		<u>£1,268,667</u>	<u>£1,914,483</u>
A Cash Flows from Operating Activities			
Net Income/(Expenditure) for the year		262,298	(360,931)
Depreciation		391,242	368,460
Income from Investments		(144,456)	(127,276)
Interest Payable		102,837	71,533
Investment management fees		20,025	19,330
Decrease/(Increase) in Debtors		80,513	(104,235)
Increase/(Decrease) in Creditors		92,993	151,329
(Decrease)/Increase in Pension Provision		(38,000)	(38,000)
Disposal of fixed assets		33,628	13,584
Reversal of impairment of Social Investments		-	(436)
(Gains)/Losses on Investments		(257,855)	248,299
Revaluation of investment property		-	376,500
		<u>543,225</u>	<u>618,157</u>
B Cash and Cash Equivalents			
Bank Balances		1,220,751	1,892,232
Investment Managers Cash		47,916	22,251
		<u>1,268,667</u>	<u>1,914,483</u>

Housing Pathways Trust
Statement Of Cash Flows
For The Year Ended 31st March 2024

Reconciliation of Net Debt

	At 01.04.23	Cash Flows	At 31.03.24
	£	£	£
Cash and Cash equivalents	1,914,483	(645,817)	1,268,667
Loans falling due within one year	(122,803)	58,487	(64,316)
Loans falling due after more than one year	(1,381,823)	679,703	(702,120)
Total	<u>409,857</u>	<u>92,373</u>	<u>£502,231</u>

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2024

1. **Accounting Policies**

(a) **Status**

Housing Pathways Trust is an unincorporated charity registered in England and Wales, registration number 211053. The principal office address is disclosed on page 1 of the annual report. The presentational currency is the Pound Sterling (£).

(b) **Basis of Accounting and Assessment of Going Concern:**

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities, in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (second edition issued in October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The accounts comply with the Charities Act 2011, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing in England 2022. The accounts are prepared on the historical cost basis of accounting unless otherwise stated in the relevant accounting policy.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) Second Edition issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Charity constitutes a public benefit entity as defined by FRS 102. The Trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern.

(c) **Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Income from Almshouse Accommodation represents weekly maintenance and service contributions receivable from residents and is recognised on an accruals basis.

Investment income is earned through holding assets for investment purposes such as shares and property and includes dividends and interest and rents and service charges from investment properties. Interest income is recognised using the effective interest method and dividend income is recognised as the Charity's right to receive payment is established. The Charity considers it is not practical to identify investment management costs incurred within collective investment schemes managed by M&G and CCLA with reasonable accuracy and thus the investment income is reported net of these costs. Rental income is recognised straight line over the term of the lease and service charges are recognised on an accruals basis.

Social Housing Capital grants are recognised using the performance model and recognised when receivable, or in the period in which a scheme is completed where the amount of the grant has been determined. Social Housing Grants are treated as restricted funds and reflected in the Fixed Asset Fund.

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2024

1. **Accounting Policies (continued)**

(d) **Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

(e) **Housing Properties**

Housing properties are measured at cost less accumulated depreciation and impairment losses. For housing properties acquired before 1st April 1978, market value as at that date is deemed to be cost. All subsequent acquisitions of housing properties or improvements to existing stock are measured at cost.

The cost of completed housing properties (net of the cost of land) is depreciated over the useful life of the properties. Properties are accounted for on a component cost basis with each component being depreciated over its estimated economic life. The principal components identified, and the depreciation rate applied to each component are set out below:

Land	-	not depreciated
Main fabric	-	Over 70 years
Roof structure and covering	-	Over 70 years
Windows & external doors	-	Over 30 years
Gas boilers	-	Over 15 years
Kitchen	-	Over 20 years
Bathrooms/WCs	-	Over 30 years
Mechanical systems	-	Over 30 years
Electrics	-	Over 40 years
Fire alarms/warden call	-	Over 15 years

(f) **Investment Properties**

Investment properties are measured at fair value at the balance sheet date. These properties are held for rental and are reflected under Investment Properties, as distinct from Social Housing Properties. In accordance with FRS102, no depreciation is charged on the investment properties.

(g) **Other Fixed Assets**

Allotment land is measured at deemed cost, being previous GAAP revaluations of £390,000 for Northfield Allotment and £355,000 for Haslemere Allotment taken as deemed cost on transition to FRS102. Improvements to the allotment sites are measured at cost less accumulated depreciation. Fixtures, fittings, and equipment are stated at cost less accumulated depreciation. Office property is held for the use of the charity and is measured at cost less accumulated depreciation.

Depreciation is charged in a straight line basis over the expected useful lives of the assets, at the following annual rates:

2% - Allotment Fencing
10% - Furniture & Fittings
33 $\frac{1}{3}$ % - Computer Equipment

The Office Property is depreciated on a component basis using the same rates as applied to the Housing Properties.

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2024

1. Accounting Policies (continued)

(h) Investments

Fixed asset investments are a form of basic financial instrument are initially recognised at their transaction value and subsequently measured at their fair value using the closing quoted market price or the share of the Net Asset Value of the fund (if unlisted). All gains and losses are taken to the Statement of Financial Activities as they arise. The Statement of Financial Activities includes all net gains and losses arising on revaluation and disposals throughout the year.

Social investments, comprising a concessionary loan, are measured at cost less impairment.

(i) Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(j) Cash at bank and in hand

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

(k) Creditors

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

(l) Financial Instruments

The Charity only holds basic financial instruments. The financial assets and financial liabilities of the Charity are as follows:

Debtors – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 16. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Liabilities – trade creditors and bank loans are classified as financial instruments and are measured at amortised cost as detailed in Notes 17 & 18.

(m) Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for a specific purpose. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for a specific purpose. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2024

1. Accounting Policies (continued)

(m) Fund Accounting (continued)

Permanent endowment funds are restricted capital funds where there is no power to convert the original capital to income. Expendable endowment funds represent sums which the Trustees intend to retain intact but can if necessary be used in furtherance of the Charity objectives subject to any restrictions imposed by the donor.

(n) Taxation

As a non-profit making body, the charity believes that it is exempt from forms of taxation other than employers' national insurance and value added tax (VAT). The charity partially makes taxable supplies of services and is only able to recover input VAT tax, where this is charged, on items of expenditure relating to these supplies.

(o) Pension Costs

The Charity participates in a multi-employer defined benefit pension scheme providing benefits based on final pensionable pay. This is a funded scheme, and the assets are held separately from those of the charity in separate trustee administered funds.

Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities.

The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/expenditure are the current service costs and gains and losses on settlements and curtailments together with any change in the net defined benefit liability arising from employee service. They are included as part of staff costs. Net interest on the defined benefit liability is shown as a cost in the support cost. The re-measurement of the defined benefit liability is also reported in the statement of financial activities within other gains and losses and is shown in more detail in Note 23 to the accounts.

(p) Significant Management Judgements and Estimation Uncertainties

The following are the critical judgements and key sources of estimation uncertainty that the Board has made in the process of applying the charity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Fair value of Investment Properties

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in the Statement of Financial Activities. The Trustees assess the fair value of the investment properties based on recent market values. In determining the fair value on this basis, the valuation remains sensitive to fluctuations in the property market.

Identification of housing property components

The charity accounts for its expenditure on housing properties using component accounting. Under component accounting, the housing property is divided into those major components which are considered to have substantially different useful economic lives. Judgement is used in allocating property costs between components (land, structure, kitchens, bathrooms etc) and in determining the useful economic lives of each component.

Housing property depreciation is calculated on a component-by-component basis. The identification of such components is a matter of judgement and may have a material impact on the depreciation

charge. The components selected are those which reflect how the major repairs to the property are managed.

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2024

1. Accounting Policies (continued)

(p) Significant Management Judgements and Estimation Uncertainties (continued)

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based on the expected utility of the assets. Uncertainties in these estimates relate to changes to decent homes standard requiring frequent replacement of components.

Bad debt provision

A full line by line review of trade debtors is carried out at the end of each month. Whilst every attempt is made to ensure that the bad debt provisions are as accurate as possible, there remains a risk that the provisions do not match the level of debts which ultimately prove to be uncollectible.

Defined Benefit Pension Scheme

As stated in Note 23, the Charity participates in a multi-employer defined benefit pension scheme. The value of the Charity's share of the net deficit in the scheme is sensitive to fluctuations in bond yields and other actuarial assumptions as detailed in Note 23.

2. Income from Charitable Activities

	2024	2023
	£	£
<i>Almshouse Accommodation</i>		
Maintenance contributions	1,585,024	1,536,856
Services contributions	235,148	225,550
	1,820,172	1,762,406
<i>Allotments</i>		
Allotment rents	23,918	12,724
	£1,844,090	£1,775,130

3. Income from Other Trading Activities

Management Fees	17,357	5,598
Private Lets	185,254	207,994
Office rent receivable	7,500	11,154
	£210,111	£224,746

Private let income represents the income derived from certain properties within the Charity's almshouse estate which are temporarily let on short-term licenses at market rates.

4. Income from Investments

<i>Investment Property</i>		
Rent receivable	259,052	245,904
Ground rent receivable	3,950	3,950
Service charges receivable	46,831	40,101
	309,833	289,955
Investment Income & Bank Interest	144,456	127,276
	£454,289	£417,231

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2024

5. Expenditure on Raising Funds	2024	2023
	£	£
Investment management fees	20,025	19,330
Support costs – managing KGV	12,582	12,597
<i>Investment property costs</i>		
Management & support costs	72,960	73,051
Maintenance	25,667	31,935
Insurance	28,571	20,813
Professional fees	38,718	11,463
Bad debts	11,094	(51,699)
	<u>£209,617</u>	<u>£117,490</u>
6. Expenditure on Charitable Activities	2024	2023
	£	£
<i>Almshouse Accommodation</i>		
Management & support costs	654,793	662,108
Services	296,204	273,953
Maintenance	668,388	561,447
Depreciation	359,336	340,489
Disposals	33,628	13,584
Bad debts	8,860	10,110
Interest payable	66,593	43,830
	<u>2,087,802</u>	<u>1,905,521</u>
<i>Allotments</i>		
Management	9,936	9,935
Depreciation	1,194	1,194
Maintenance	4,880	-
Support costs	11,714	11,729
	<u>27,724</u>	<u>22,858</u>
<i>Grant-making</i>		
Grants awarded to institutions	146,081	88,086
Residents' Welfare & Hardship Fund	13,450	-
Grants officer costs	-	-
Reversal of impairment of concessionary loan	-	(436)
Support costs	21,693	21,720
	<u>181,224</u>	<u>109,370</u>
	<u>£2,296,750</u>	<u>£2,037,749</u>

A breakdown of the institutions which were awarded grants during the year can be found in the Report of the Trustees.

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2024

7. **Support Costs**

	2024	2023
	£	£
Staff costs	450,305	433,119
Administration	130,499	163,003
Depreciation of office property	17,632	17,633
Depreciation of office equipment	13,080	8,273
Professional fees	12,017	21,802
Bank charges and sundries	3,757	1,558
Loan interest	30,244	23,703
Pension costs and interest	8,975	7,000
Irrecoverable VAT	42,750	37,387
Governance costs	13,835	10,514
	£723,094	£723,992

Included within Governance Costs is auditor's remuneration for the audit of the financial statements amounting to £11,530 excluding VAT (2023: £10,700 excluding VAT).

8. **Staff Costs**

All employees are jointly employed by Housing Pathways Trust and associated Pathways charities, and their costs are recharged across the charities on a set basis reviewed annually. The proportion of staff costs charged to the Charity is as follows:

	2024	2023
	£	£
Wages and salaries	309,403	244,629
Social security costs	28,113	21,640
Pension costs	25,956	15,667
Redundancy	-	9,167
Agency staff & interim contractors	86,833	143,711
	£450,305	£434,814

The average weekly numbers of full-time equivalent employees during the year were was 9.5 (2023: 8) and the average number of employees was 11 (2023: 10). There were no employees who received employee benefits in excess of £60,000 (2023: nil).

The remuneration payable to key management personnel for their services to the Charity amounted to £156,518 (2023: £166,791). One trustee, Rev. Mark Melluish, received remuneration of £1,250 for their role as a Chair of Trustees as permitted by the Charity's governing document.

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2024

9.	Social Housing Lettings		
	Maintenance contributions	1,585,024	1,536,856
	Service charges receivable	235,148	225,550
	Turnover from Social Housing Letting	<u>1,820,172</u>	<u>1,762,406</u>
	Management	629,524	638,962
	Services	296,204	273,953
	Routine and Cyclical Maintenance	668,388	561,447
	Property Depreciation	359,336	340,489
	Bad debts	8,860	10,110
	Operating costs of Social Housing Lettings	<u>(1,962,312)</u>	<u>(1,824,961)</u>
	Gain/(Loss) on replacement of components	(33,628)	(13,584)
	Operating surplus/(deficit) on Social Housing Lettings	<u>£(175,768)</u>	<u>£(76,139)</u>
	Net Surplus/(Deficit) on social housing lettings	<u>£(267,630)</u>	<u>£(143,115)</u>
	Void Losses	<u>£87,956</u>	<u>£34,678</u>
10.	Fixed Assets Housing Properties		
		2024	2023
		Total	Total
		£	£
	Cost		
	As at 1st April 2023	15,519,394	15,377,898
	Works to existing properties	444,996	184,426
	Disposals	(86,398)	(42,930)
	As at 31st March 2024	<u>15,877,992</u>	<u>15,519,394</u>
	Depreciation		
	As at 1st April 2023	3,895,686	3,584,543
	Charge for the year	359,336	340,489
	Disposals	(52,770)	(29,346)
	As at 31st March 2023	<u>4,202,252</u>	<u>3,895,686</u>
	Net Book Value at 31st March 2024	<u>£11,675,740</u>	<u>£11,623,708</u>

All Properties are Freehold Properties except for two properties held on long leaseholds (cost £362,731 accumulated depreciation £69,866).

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2024

11. Investment Properties

	Ealing Green	Vaughan Court	Total
	£	£	£
Fair Value			
As at 1st April 2023	4,400,000	13,500	4,413,500
Additions	-	-	-
Movement in fair value	-	-	-
As at 31st March 2024	<u>£4,400,000</u>	<u>£13,500</u>	<u>£4,413,500</u>

The Investment properties were last valued by S Hanton FRICS for Willmotts as at 31st August 2023.

12. Other Fixed Assets

	Allotments	Fixtures, Fittings & Equipment	Office	Total
	£	£	£	£
Cost				
As at 1st April 2023	798,881	48,982	679,846	1,527,709
Additions	3,000	-	-	3,000
Disposals	-	-	-	-
As at 31st March 2024	<u>801,881</u>	<u>48,982</u>	<u>679,846</u>	<u>1,530,709</u>
Depreciation				
As at 1st April 2023	12,368	23,548	105,805	141,721
On disposals	-	-	-	-
Charge for the year	1,194	13,080	17,632	31,906
As at 31st March 2024	<u>13,562</u>	<u>36,628</u>	<u>123,437</u>	<u>173,629</u>
Net Book Value				
At 31st March 2024	<u>£788,319</u>	<u>£12,354</u>	<u>£556,409</u>	<u>£1,357,082</u>
At 31st March 2023	<u>£786,513</u>	<u>£25,434</u>	<u>£574,041</u>	<u>£1,385,988</u>

All 2022 figures in this note represent combined figures.

13. Capital Grants

	2024	2023
	£	£
Aggregate amount received		
At 1st April 2023 and 31st March 2024	<u>£5,835,488</u>	<u>£5,835,488</u>
Released to Statement of Financial Activities		
At 1st April 2023 and 31st March 2024	<u>£5,835,488</u>	<u>£5,835,488</u>
Social Housing Grant Carrying Value	<u>£ -</u>	<u>£ -</u>

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2024

14. Social Investments

	2024	2023
	£	£
Concessionary loans		
At 1st April 2023	-	-
Repayments in the year	-	(436)
Reversal of impairment	-	436
At 31st March 2024	£ -	£ -

Concessionary loans comprise an interest-free loan made to Cultivate London Ltd in 2012. The loan was fully impaired in the year it was granted. The amount outstanding at 31st March 2024 is £47,645 (2023: £47,645).

15. Fixed Asset Investments

	2024			2023
	Unrestricted	Grassroots	Total	Total
	£	£	£	£
Fair Value				
At 1st April 2023	4,078,501	272,926	4,351,427	4,413,581
Additions	505,271	57,569	562,840	2,130,174
Disposals	(498,747)	(59,049)	(557,796)	(2,067,929)
Unrealised gains/(losses)	267,434	14,205	281,639	(124,399)
At 31st March 2024	4,352,459	285,651	4,638,110	4,351,427
Cash Deposits	46,372	1,544	47,916	22,251
	£4,398,831	£287,195	£4,686,026	£4,373,678
Fixed Income	261,601	33,149	294,750	220,451
Equities and Unit Trust	3,730,108	218,493	3,948,601	3,616,024
Property and Alternatives	300,750	28,609	329,359	414,952
Cash and Money Market	106,372	6,944	113,316	122,251
	£4,398,831	£287,195	£4,686,026	£4,373,678

Included within Fixed Asset Investments is £4,688,328 (2023: £4,351,427) measured at fair value through net income/(expenditure).

Investments with a carrying value of £557,796 were sold for net proceeds of £534,012, realising losses of £23,784 (2023: carrying value of £2,067,929 sold for net proceeds of £1,944,029, realising losses of £123,900).

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2024

16. Debtors

	2024	2023
	£	£
Residents' Contributions	72,652	64,334
Provision for Doubtful Debts	(18,970)	(10,110)
	53,682	54,224
Private Let and Investment Property Debtors	85,188	196,018
Connected parties:		
Educational Foundation of Francis Courtney	6,000	3,000
King George V Memorial Houses	21,237	4,665
Prepayments and accrued income	35,488	22,580
	£201,595	£280,487

£13,599 of the Prepayments and accrued income total is receivable in more than one year.

17. Creditors: Amounts falling due within one year

		£
Trade Creditors	245,712	166,418
VAT and Social Security	16,147	23,114
Connected parties:		
Housing Pathways	150	73,867
King George V Memorial Houses	-	-
Loans (Note 19)	64,316	122,803
Grants payable	19,533	8,550
Deferred income	83,366	71,385
Accrued expenses & Other Creditors	243,961	204,667
	£673,185	£670,804
Deferred income at 1 April	71,385	68,046
Income recognised in the year	(71,385)	(68,046)
Amounts deferred this year	83,366	71,385
Deferred income at 31 March	£83,366	£71,385

Deferred income represents rent and service charges invoiced to tenants of the charity's investment properties related to periods beyond the balance sheet date.

18. Creditors: Amounts falling due outside one year

Tenant deposits	84,001	51,876
Loans (Note 19)	702,120	1,381,823
	£786,121	£1,433,699

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2024

19. Loans	2024	2023
	£	£
Repayable in less than one year (Note 17)	64,316	122,803
Repayable in more than one year (Note 18)	702,120	1,381,823
Total Loans	<u>£766,436</u>	<u>£1,504,626</u>

The Charity has two loans outstanding:

- A loan with CAF Bank secured by a first legal charge on properties with a carrying value of £2,201,188 the properties at 1-57 Dean Court, Ealing. The loan is repayable in monthly instalments over the remaining term to 2039, at an interest rate of 2.25% over base rate.
- A loan with the Co-operative Bank secured by a fixed charge on properties with a carrying value of £1,203,287. The interest repayable on the loan is a variable rate of 1.125% above base rate. Whilst there is an instalment repayment schedule in place the loan is contractually repayable to the lender on demand and as such is classified as a creditor falling due within one year.

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2024

20. Funds

Current Year	Balance at 1 April 2023	Income	Expenditure	Gains/(losses) on investments	Other gains /(losses)	Transfers	Balance at 31 March 2024
	£	£	£	£	£	£	£
Unrestricted Funds							
General Funds	2,657,432	2,460,697	(2,091,147)	128,171	(38,000)	(1,180,726)	1,936,427
<i>Designated Funds</i>							
Grants Reserve	269,073	-	-	-	-	-	269,073
Cyclical Repairs and Maintenance Reserve	459,431	5,517	(952)	10,361	-	-	474,357
Extraordinary Repairs Reserve	1,612,758	35,964	(6,208)	67,538	-	-	1,710,052
	<u>4,998,694</u>	<u>2,502,178</u>	<u>(2,098,307)</u>	<u>206,070</u>	<u>(38,000)</u>	<u>(1,180,726)</u>	<u>4,389,909</u>
Restricted Funds							
Fixed Asset Fund	2,822,108	-	(83,366)	-	-	-	2,738,742
Grassroots Fund	351,583	8,632	(1,929)	12,915	-	-	371,201
	<u>3,173,691</u>	<u>8,632</u>	<u>(85,295)</u>	<u>12,915</u>	<u>-</u>	<u>-</u>	<u>3,109,943</u>
Endowment Funds							
Permanent Endowment	13,538,705	-	(322,765)	38,870	-	1,180,726	14,435,536
	<u>£21,711,090</u>	<u>£2,510,810</u>	<u>£(2,506,367)</u>	<u>£257,855</u>	<u>£(38,000)</u>	<u>£ -</u>	<u>£21,935,388</u>
Prior Year - Combined							
	Balance at 1 April 2022	Income	Expenditure	Gains/(losses) on investments	Other gains /(losses)	Transfers	Balance at 31 March 2023
	£	£	£	£	£	£	£
Unrestricted Funds							
General Funds	7,066,221	2,372,376	(1,775,366)	(108,128)	(31,000)	(4,866,671)	2,657,432
<i>Designated Funds</i>							
Grants Reserve	269,073	-	-	-	-	-	269,073
Cyclical Repairs and Maintenance Reserve	466,515	5,139	(946)	(11,277)	-	-	459,431
Extraordinary Repairs Reserve	1,658,932	33,502	(6,165)	(73,511)	-	-	1,612,758
	<u>9,460,741</u>	<u>2,411,017</u>	<u>(1,782,477)</u>	<u>(192,916)</u>	<u>(31,000)</u>	<u>(4,866,671)</u>	<u>4,998,694</u>
Restricted Funds							
Fixed Asset Fund	2,907,388	-	(85,280)	-	-	-	2,822,108
Grassroots Fund	358,489	8,090	(1,921)	(13,075)	-	-	351,583
	<u>3,265,877</u>	<u>8,090</u>	<u>(87,201)</u>	<u>(13,075)</u>	<u>-</u>	<u>-</u>	<u>3,173,691</u>
Endowment Funds							
Permanent Endowment	9,376,403	-	(285,561)	(418,808)	-	4,866,671	13,538,705
	<u>£22,103,021</u>	<u>£2,419,107</u>	<u>£(2,155,239)</u>	<u>£(624,799)</u>	<u>£(31,000)</u>	<u>£ -</u>	<u>£21,711,090</u>

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2024

20. Funds

Designated Funds

Extraordinary Repair Fund

The Charity maintains an Extraordinary Repair Fund which is sufficient for the purpose of providing for extraordinary repair, improvement, or rebuilding of the almshouses. With the advent of component accounting, major repairs are usually capitalised. The level of the reserve is considered adequate to cover any such costs that are likely to be charged to the revenue account.

Cyclical Repairs and Maintenance Reserve

This fund is based on the charity's obligation to provide on a continuing basis for the repair and maintenance of their properties based on a planned programme of works and is considered adequate.

Restricted Funds

Grassroots Fund

The Charity set up a restricted fund called the Grassroots Endowment, to ensure the Grassroots project was sustained beyond 2011, when Government funding ceased. Income for the Fund is invested separately, and the balance held as a separate fund.

Fixed Assets Fund

The Fixed Assets Fund represents the proportion of housing properties funded by social housing grant, less the accumulated depreciation attributable to that element of the cost. Social housing grants may be repayable if the charity sells a property or ceases to use it for a qualifying purpose.

Endowment Funds

Permanent Endowment

Under a Charity Commission Scheme dated 18th May 2000 as amended, the four predecessor charities were amalgamated to form the Ealing and Brentford Consolidated Charity which became Housing Pathways Trust in 2012. Under the terms of the Scheme, Housing Pathways Trust's activities were classified into four branches and the Scheme specifically refers to the assets which represented each branch's permanent endowment and expendable endowment. The revised Scheme dated 1st April 2022 consolidated the purposes of branches 1 and 2.

21. Net Assets and Funds by Branch

	Branch 1	Branch 2	Branch 3	Restricted	Total
	£	£	£	£	£
Properties	11,675,740	-	-	-	11,675,740
Investment					
Properties	4,413,500	-	-	-	4,413,500
Other Fixed Assets	1,357,082	-	-	-	1,357,082
Investments	3,718,910	675,051	4,870	287,195	4,686,026
Net Current					
Assets/ (Liabilities)	750,455	(85,745)	445	84,006	749,161
Creditors Due					
Outside One Year	(786,121)	-	-	-	(786,121)
Provisions for					
Liabilities	(160,000)	-	-	-	(160,000)
	<u>£20,969,566</u>	<u>£589,306</u>	<u>£5,315</u>	<u>£371,201</u>	<u>£21,935,388</u>
Permanent					
Endowment	13,941,749	490,850	2,937	-	14,435,536
Restricted Funds	2,738,742	-	-	371,201	3,109,943
Designated Funds	2,453,482	-	-	-	2,453,482
Unrestricted Funds	1,835,593	98,456	2,378	-	1,936,427
	<u>£20,969,566</u>	<u>£589,306</u>	<u>£5,315</u>	<u>£371,201</u>	<u>£21,935,388</u>

Housing Pathways Trust**Notes To the Financial Statements****For The Year Ended 31st March 2024****22. Net Assets by Funds**

	Permanent Endowment	Restricted Funds	Unrestricted Funds	2024 Total
	£	£	£	£
Housing Properties	8,737,755	2,738,742	199,243	11,675,740
Investment Properties	4,413,500	-	-	4,413,500
Other Fixed Assets	1,344,728	-	12,354	1,357,082
Investments	705,989	287,195	3,692,842	4,686,026
Net Current Assets/(Liabilities)	(64,316)	84,006	729,471	749,161
Creditors Due Outside One Year	(702,120)	-	(84,001)	(786,121)
Provisions for Liabilities	-	-	(160,000)	(160,000)
	<u>£14,435,536</u>	<u>£3,109,943</u>	<u>£4,389,909</u>	<u>£21,935,388</u>

	Permanent Endowment	Restricted Funds	Unrestricted Funds	2023 Total
	£	£	£	£
Housing Properties	8,598,585	2,822,108	203,015	11,623,708
Investment Properties	4,413,500	-	-	4,413,500
Other Fixed Assets	1,360,554	-	25,434	1,385,988
Investments	670,692	276,318	3,426,668	4,373,678
Net Current Assets/(Liabilities)	(122,803)	75,265	1,549,453	1,501,915
Creditors Due Outside One Year	(1,381,823)	-	(51,876)	(1,433,699)
Provisions for Liabilities	-	-	(154,000)	(154,000)
	<u>£13,538,705</u>	<u>£3,173,691</u>	<u>£4,998,694</u>	<u>£21,711,090</u>

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2024

23. Pension Obligations

Housing Pathways Trust participates in the Social Housing Pension scheme, (SHPS) a multi-employer scheme which provides benefits to some 500 non-associated employers. The scheme is a defined benefit scheme in the UK administered by TPT Retirement Solutions ('TPT').

The scheme is classified as a 'last-man standing arrangement'. Therefore, Housing Pathways Trust is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

Present Values of Defined Benefit Obligation, Fair Value of Assets and Defined Benefit Asset/(Liability)

	2024	2023
	£	£
Fair value of plan assets	660,000	662,000
Present value of defined benefit obligation	<u>(820,000)</u>	<u>(816,000)</u>
Surplus/(deficit) in plan	<u>£(160,000)</u>	<u>£(154,000)</u>

Reconciliation of opening and closing balances of the Defined Benefit Obligation

	2024	2023
	£	£
Defined benefit obligation at start of period	816,000	1,196,000
Current service cost	-	3,000
Expenses	3,000	3,000
Interest expense	39,000	33,000
Contributions by plan participants	-	2,000
Actuarial losses/(gains) due to scheme experience	3,000	(27,000)
Actuarial losses/(gains) due to changes in demographic assumptions	(9,000)	(2,000)
Actuarial losses/(gains) due to changes in financial assumptions	(5,000)	(362,000)
Benefits paid and expenses	<u>(27,000)</u>	<u>(30,000)</u>
Defined benefit obligation at end of period	<u>£820,000</u>	<u>£816,000</u>

Reconciliation of opening and closing balances of the Fair Value of Plan Assets

	2024	2023
	£	£
Fair value of plan assets at start of period	662,000	1,039,000
Interest income	33,000	29,000
Experience on plan assets	(49,000)	(422,000)
Contributions by the employer	41,000	44,000
Contributions by plan participants	-	2,000
Benefits paid and expenses	<u>(27,000)</u>	<u>(30,000)</u>
Fair value of plan assets at end of period	<u>£660,000</u>	<u>£662,000</u>

The actual return of the plan assets (including any changes in share of assets) over the period ended 31 March 2024 was £(16,000).

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2024

23. **Pension Obligations (continued)**

Defined Benefit costs recognised in Net Income/(Expenditure)

	2024	2023
	£	£
Current service cost	-	3,000
Expenses	3,000	3,000
Net interest expense	6,000	4,000
	<u>£9,000</u>	<u>£10,000</u>

Defined Benefit costs recognised in Other Gains and Losses

	2024	2023
	£	£
Experience on plan assets	(49,000)	(422,000)
Experience gains and losses arising on the plan liabilities	(3,000)	27,000
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation	9,000	2,000
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation	5,000	362,000
Actuarial (loss)/gain recognised in other recognised gains/(losses)	<u>£(38,000)</u>	<u>£(31,000)</u>

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2024

23. **Pension Obligations (continued)**

Assets	2024 (£000s)	2023 (£000s)
Global Equity	66	12
Absolute Return	26	7
Distressed Opportunities	23	20
Credit Relative Value	22	25
Alternative Risk Premia	21	1
Emerging Markets Debt	9	4
Risk Sharing	39	49
Insurance-Linked Securities	3	17
Property	26	29
Infrastructure	66	76
Private Debt	26	29
Opportunistic Illiquid Credit	26	28
High Yield	-	2
Private Equity	1	-
Long Lease Property	4	20
Secured Income	20	30
Liability Driven Investment	268	305
Currency Hedging	-	1
Net Current Assets	14	7
Total Assets	£660	£662

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

Key Assumptions	2023 % per annum	2023 % per annum
Discount Rate	4.91	4.86
Inflation (RPI)	3.14	3.19
Inflation (CPI)	2.78	2.77
Salary Growth	3.78	3.77
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31st March 2024 imply the following life expectancies:

	Life expectancy at age 65 (Years)
Male retiring in 2024	20.5
Female retiring in 2024	23.0
Male retiring in 2044	21.8
Female retiring in 2044	24.4

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2024

24. **Capital Commitments**

At 31st March 2024 there were no commitments in relation to the refurbishment of the charity's properties or otherwise.

25. **Contingent Liabilities**

There were no contingent liabilities at 31st March 2024 or 31st March 2023, other than that of the potential employer debt on the Pension Scheme (Note 23).

26. **Housing Stock**

The number of units of housing owned by the Charity at 31st March 2024 and 31st March 2023 were:

	Units Under Ownership	
	2024	2023
Social Housing Accommodation		
Alms-houses	234	234
General needs	8	8
Units let at market rents	13	13
	<u>255</u>	<u>255</u>

27. **Related Parties**

Housing Pathways was until 1st April 2022 the Corporate Trustee of Housing Pathways Trust and since this date has common trustees with the Charity. At 31st March 2024 the Charity owed £150 (2023: £72,855) to Housing Pathways.

The Charity has common trustees with King George V Memorial Houses and provides a management service to that charity. In the year ended 31st March 2024 charged £17,357 was charged. At the year end £21,237 was owed by King George V Memorial Houses to the Charity.

The Charity made a payment on behalf of Educational Foundation of Francis Courtney, with which it has common trustees. At the year end £6,000 was owed to the Charity by Educational Foundation of Francis Courtney.

Two trustees were reimbursed travel expenses amounting to £738 during the year.

HOUSING PATHWAYS TRUST

England & Wales - Charity number 211053

Accounts

HOUSING PATHWAYS TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023

Social Housing Regulator No. A0376

Charity Registered No. 211053

Housing Pathways Trust
Financial Statements
For The Year Ended 31st March 2023

Index

	Pages
Annual Report of the Trustees	1 – 18
Independent Auditors' Report	19 – 21
Statement of Financial Activities	22
Balance Sheet	23
Statement of Cash Flows	24 – 25
Notes to Financial Statements	26 – 46

Housing Pathways Trust
Annual Report of The Trustees
For The Year Ended 31st March 2023

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY

Charity Registration

Housing Pathways Trust is governed by a Scheme issued by the Charity Commissioners for England and Wales on the 18th May 2000 (consolidating Ealing Consolidated Charities, Bowman and Taylor Trust, Bowman and Others: Brentford Trust and Bowman Ecclesiastical Trust into The Ealing and Brentford Consolidated Charity, since renamed), as amended by resolution dated 24th March 2011 and as amended by a further Scheme issued on the 5th January 2012.

On 1st April 2022 the Charity Commission approved the merger of Housing Pathways Trust, Almshouse & Eleemosynary Charity and Pathways Jubilee Charity. The merged charity is known as Housing Pathways Trust (Charity number 211053) and a new scheme was issued on the 1st April 2022.

The charity is registered with the Regulator of Social Housing as a Registered Provider (No. A0376).

Principal and Administration Address

Registered office:
 33 Dean Court
 Bowmans Court
 Ealing,
 London
 W13 9YU

Trustees

Housing Pathways	Corporate Trustee, resigned 1 st April 2022
Rev. Mark Melluish	Ex-Officio, Chair, from 1 st April 2022
Ms Janet Weekes	From 1 st April 2022, resigned 15 th September 2022
Ms Katherine Yentumi	From 1 st April 2022, resigned on 27 th October 2022
Ms Isabella Rossi	From 1 st April 2022
Mr Matthew Doyle	From 1 st April 2022
Ms Andrea Joseph	From 1 st April 2022
Mr Andrew Jefford	From 1 st April 2022, resigned on 14 th March 2023
Mr Joshua Reddaway	Appointed on 27 th October 2022
Ms Fiona Howie	Appointed on 13 th July 2023
Ms Tycia Riley	Appointed on 13 th July 2023

Custodian Trustees:

Title to the charity's housing properties and investment properties is vested in the Official Custodian for Charities on behalf of Housing Pathways Trust.

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2023

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY (continued)

Officers and advisors

Chief Executive Officer and management team

The Board appointed Steve McNaughton as the Chief Executive on the 31st of October 2022. Bolaji Omotade is the Head of Finance & Company Secretary.

The operational manager Mike Smart left Pathways in March 2023. The new operational Manager has been appointed and will be joining Pathways in November 2023.

Principal Advisors

Principal Auditors

Knox Cropper LLP
Chartered Accountants
65 Leadenhall Street
London
EC3A 2AD

Principal Chartered Surveyors

Ingleton Wood
10 Lake Meadows Business Park
Woodbrook Crescent
Billericay
Essex
CM12 0EQ

Principal Bankers

National Westminster Bank Plc
1 The Mall
Ealing
London
W5 2PL

Principal Solicitors

Devonshires
30 Finsbury Circus
London
EC2M 7DT

Principal Investment Managers

Investec Wealth & Investment Limited
30 Gresham Street
London
EC2V 7QN, United Kingdom

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Housing Pathways Trust is an unincorporated charity which is governed by a Scheme issued by the Charity Commissioners for England and Wales on 31st March 2022, effective from 1st April 2022. This Scheme represented the merger of Almshouse & Eleemosynary Charity and Pathways Jubilee Charity into Housing Pathways Trust. This Scheme replaced previous Schemes dated 18th May 2000, as amended by resolution dated 24th March 2011, and 5th January 2012.

The Charity is the consolidation of a number of smaller charities dating back to the sixteenth century with the areas of benefit incorporating the London Borough of Ealing and the town of Brentford. Under the new Scheme, the area of benefit is expanded, as set out in the Objects on page 4, in line with the location of almshouse properties now owned by the Charity.

How Trustees are Recruited, Appointed, Inducted and Trained

The Charity's Scheme provides for two ex-officio trustees, being the vicar for the time being of the ecclesiastical parish of St John with St James, West Ealing and the Rector for the time being of the ecclesiastical parish of St Paul's, Brentford, or their substitute. Additionally, the Archdeacon of Northolt may nominate one trustee.

There are no geographical restrictions on trustees' appointment and applications from persons living in Greater London boroughs, particularly where we have a presence, are welcomed. Vacancies are advertised in the local press and on charity-related websites, with a nationwide reach. Applicants for trustee vacancies are interviewed by the Chair of the Board and 2 other Board members of the nominations committee prior to appointments. All new trustees have an induction session which covers core areas of the business.

Existing trustees also have access to ongoing training opportunities, to assist them in fulfilling their roles and responsibilities. In addition to the Board meetings, trustees attend an annual review day, which allows for detailed discussions on strategic planning issues.

Organisation and Management

The day-to-day management of the Charity is delegated to its Chief Executive and staff. The Chief Executive reports to the Chair and the Board of Trustees of Housing Pathways Trust.

Housing Pathways Trust provides a full management service to King George V Memorial Houses, including all operational, administrative, and financial functions, for which it charges a management fee.

The Housing Pathways Trust Board usually meets six times a year to agree strategy, oversee operations, manage risk, and consider the financial standing of the Charity. In addition to the main meetings of the Board of Trustees, there are the following sub-committees which focus on specific areas of the business in more detail: Audit and Risk, Development and Asset Management, Grants and Nominations. Governance matters are dealt with by the main Board, except that the nominations sub-committee oversees the recruitment of new Trustees.

The Board and each sub-committee have an agreed Terms of Reference, detailing their purpose and responsibilities. The key decision-making protocols are contained in the Committees' terms of reference and the Financial Standing orders, the latter being reviewed by the Audit and Risk Committee annually.

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

During the year, the two board members who retired from the board were appointed as co-optees to the committees. Janets Weekes was appointed as a co-optee to the Audit & Risk Committee and Katherine Yentumi was appointed to the Grant Committee as a co-optee.

The board considers a range of peer organisations' pay reviews as a benchmark, and the overall economic and regulatory conditions in which the Charity is expected to operate in the coming year. In assessing the April 2022 staff pay review, the prevailing CPI rate, the cost-of-living crisis, and its possible effect on the economy in general and house prices and rents in particular were considered.

Staff are responsible for carrying out the strategy agreed by the Board and the Chief Executive may act within the constraints of the overall expense budget agreed by the Board. The management team during the year is comprised in addition to the Chief Executive, a Housing team, and a Finance team.

OBJECTIVES AND ACTIVITIES

Objects

The objectives of the charity are:

Branch 1 (as amended by the Charity Commission order of 1st April 2022):

(1) The objects of branch 1 are:

- (a) the provision of relief for persons in the London boroughs of Wandsworth, Hackney, Waltham Forest, Enfield, Haringey, Greenwich, Newham, Tower Hamlets, Lambeth, Ealing and Hounslow who are in need, hardship or distress including, without limitation, provision of social housing and housing accommodation, including almshouse accommodation for beneficiaries subject to the provisions in subclauses (c), (d) and (e) below and provision of medical, domiciliary and other care through, among other things, making grants of money; and
- (b) Such charitable purposes for the benefit of the residents of the charity as the trustees decide.
- (c) Preference for appointing residents in the Victoria Almshouses shall be given to persons not less than 60 years old.
- (d) Preference for appointing residents in the Wheeler Homes shall be given to persons not less than 60 years old and members of the Church of England.
- (e) The trustees must retain 33 of the Jubilee properties for use by beneficiaries who are single women and must retain 50 of the Jubilee properties for beneficiaries who are over 50 years of age.
- (f) Subject to the provisions of clause 33 (Power to dispose of and replace purpose property), the land identified in part 1 of the schedule to this scheme must be retained by the trustees for use for the objects of the charity as set out in this clause 5(1).

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2023

OBJECTIVES AND ACTIVITIES (continued)

Branch 2

The objects of branch 2 are to further the religious and other charitable work of the Church of England in the London Borough of Ealing.

Branch 3

The objects of branch 3 are to promote the education of children who are in need of financial assistance and are resident in the London Borough of Ealing.

Charity's Aims

The Charity's aims are to manage and improve performance to achieve Value for Money and better economies of scale in order to compare well with the best in our sector.

Activities

The trustees have had regard to Charity Commission guidance on public benefit. The Charity's activities (as below listed) meet the two key principles of public benefit as set out in Charities and Public Benefit which are that:

- a) There must be an identifiable benefit or benefits.
- b) benefit must be to the public, or section of the public.

Housing for Older People

The Charity owns and manages 234 units of housing accommodation across sixteen sites based in London borough of Ealing, Enfield, Greenwich, Hackney, Haringey, Newham, Waltham Forest, and Wandsworth which are let to older people who meet the below qualifying criteria: -

- (a) aged 50 years or over;
- (b) resident now and for the past 2 years in some of the borough listed above
- (c) capable of living independently; and,
- (d) of limited means.

A further 8 units are let to general needs residents. The weekly maintenance contribution (i.e. the housing charge for the accommodation) is set in accordance with the Social Housing Regulator's rent formula. Additionally, there are 13 units let privately at market rents because older residents could not be found, or they were considered unsuitable for social housing use.

In total the charity owns and manages 255 units of accommodation consisting of 234 for older people across 16 sites, 8 general needs units across 2 sites (2022: 132 units) and 13 units (2022: 6 units) let on private rents. The increase from the prior year reflects the merger with Pathways Jubilee Charity and Almshouse and Eleemosynary Charity.

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2023

OBJECTIVES AND ACTIVITIES (Continued)

Allotments

The Charity owns two large allotment sites in Ealing which are let to residents of the borough. A committee of plot-holders manages each of these. The Charity offers concessions for people on a low income whilst others pay the full rent.

Ealing Green

The Charity owns the freehold of a building overlooking Ealing Green and adjacent to the Ealing Broadway Shopping Centre. The building consists of a small parade of 8 shops with 13 apartments above. The flats are all let on long leases, whilst the shops are let on a fixed term of 10 years with various expiry dates.

Grants

Surplus income generated from the above retail activity at Ealing Green funds the Charity's main grants programme in Branch 1.

Grants are also provided under:

- Branch 2 from an ecclesiastical fund to recipients determined by the Ealing Deanery Synod.
- The Grassroots fund.

The main grants programme covers Ealing, Brentford, and its neighbourhood. The grant giving policy contributes to our aims and objectives as it covers a number of criteria so that we consider applications from organisations or projects that:

- Strengthen the local voluntary and community sector.
- Aim to alleviate poverty by tackling root causes.
- Promote healthy living among disadvantaged groups.
- Help disadvantaged people in the community to access local services.
- Improve educational and employment opportunities.
- Tackle homelessness
- Overcome isolation.
- Support victims of domestic violence
- Provide counselling and support services.
- Meet the need of disadvantaged people who have or care for those with disabilities.
- Promote social cohesion and/or cross-generational activities.

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2023

REVIEW OF ACHIEVEMENTS AND PERFORMANCE

Distributive grants

Overall grants awarded by Housing Pathways Trust in 2022-23 amounted to £88,086 (2022: £55,969).

The main Pathways Grants programme is funded from the net rental income derived from our commercial shops at The Green, Ealing.

Our main programme strategy is to fund work which benefits people in communities. We support full cost recovery and will consider giving grants for up to 3 years for organisations that are able to demonstrate that they have monitored and evaluated their work, have learned lessons and refined their approach, and have achieved their stated results. However, we do generally limit our programme to small organisations defined as those with an annual income of less than £100,000 a year.

Main programme recipients were as follows:

Recipients:	Project	Grant
Ealing Music Therapy	EMT was established by a group of parents with children with special needs which provides Music Therapy on a full day basis in schools within the London Borough of Ealing. EMT benefit more children and young people with special needs attending school in the London Borough of Ealing through Music Therapy over the next 18 months and beyond.	£7,500
Into the Light	Childhood Abuse Support Project- supported 16 women to improve their emotional wellbeing and tackle isolation by connecting them to other survivors. The project was a two 10-week psychoeducational course for adult survivors of childhood sexual abuse in Ealing. It focused on the impact of sexual abuse in adults.	£7,860
Young Ealing Foundation	The project will support small, local charities that support children. The project enables them to work with members who are ready to move towards sustainability by supporting them over 12 months to develop the following through a range of group workshops and one-to-one support	£10,000
Homestart Ealing	The Project will provide targeted support work to families in Hanwell, Ealing and Dormers Wells areas who have at least 1 child aged under 5 with a special focus on those with children born during or just before lockdown who are isolated and struggling. The project will work intensively with 10-12 families for approx 6 months with intensive input from a skilled and experienced staff member to tackle serious concerns and issues like the cost-of-living crisis, benefits, housing, and mental health.	£10,000

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2023

REVIEW OF ACHIEVEMENTS AND PERFORMANCE (continued)

Distributive grants (continued)

Recipients:	Project	Grant
Alliance Arts	The project Isolation Empowerments main goal is to provide 50 residents from various ages ranging from 6-32 years old from all diverse backgrounds, gender identities and religions etc within the Brentford and Hounslow area. Their main aim is to instils confidence into nervous individuals through the arts helping to address and discuss the topic of isolation due to the pandemic, and to create safe spaces for teenagers working towards the prevention of street crime and possible career development skills within the arts sector.	£5,000
Ealing Law Centre	The Ealing Law Centre project is a provision of free legal advice and advocacy at Courts and Tribunals. The request for funding was for additional hours for a 'Crisis Navigator' to provide weekly one to one support for a period of 10 weeks, and help people navigate the appeals and tribunal system.	£10,000
Women's Trust	The project provides free 1-to-1 specialist domestic abuse counselling for Ealing women, main objective is to expand their capacity to provide at least 30 women ages 16-100, with in Ealing who are unable to receive support to be offered domestic abuse counselling giving 9 women in the local area the opportunity to receive emotional support through counselling, participation in self-development workshops, hardship support and legal advice. The project has now expanded their services to teenagers due to lack of support resources provided to this age demographic, the increase of domestic abuse through technology and the Covid-19 pandemic.	£4,700
Age UK Ealing	The project was aimed to provide older people from 75-100 with in the borough of Ealing support lines and companionship through care centres. Ealing befriending project's main objective is to support local senior people ranging from 75-100 with free call support services, day centre activities and access to advice to improve health and wellbeing, financial hardships, and housing etc. Improving living conditions and relieving feelings of isolation working towards the prevention of extreme cases of poverty and homelessness amongst the older demographic to increase confidence and independence. Providing day care centres to alleviate feelings of isolation and exclusion through various activities promoting friendship building and preventing the further decline in physical and mental health.	£9,797

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2023

REVIEW OF ACHIEVEMENTS AND PERFORMANCE (continued)

Distributive grants (continued)

Branch 2 grants are administered by the Ealing Deanery Synod, who handle all grant administration including seeking and assessing applications, deciding on grant recipients, carrying out all appropriate monitoring, and providing subsequent grant evaluations for scrutiny purposes. In 2022-23 the Synod was granted £22,670 (2022: £40,821) to award to their agreed recipients. Whilst each of the grants is small in value, there is a real and very beneficial impact on the churches involved and their level of outreach.

Church Community	Project	Amount
St Mary's, Ealing	South Ealing Community Food Cupboard	£750
The Ascension, Hanger Hill with St Mary's West Twyford	Parish publicity to new or hard to access housing	£2,000
St Paul's Ealing	Ealing Community School of English	£1,500
St Barnabas, Pitshanger	Children's Worker for Noisy Mass	£1,500
St Martin's, West Acton	Support for Ukrainian refugee	£300
St Dunstan's, East Acton	Garden Club and Muddy Church	£2,000
St Dunstan's, East Acton	Acton Asylum Seeker drop-in	£2,000
Holy Cross, Greenford	Internal notice boards	£1,000
Christ the Redeemer Southall	Loop system incorporating the audio system	£2,000
All Hallows, Greenford	All Hallows Community Jubilee Party	£2,000
St Thomas Hanwell	Church Hall Notice Board	£2,000
St Mellitus with St Mark	New external notice boards	£1,620
St John's Southall Parish	Food Hub	£2,000
St George's, Southall	Youth Discipleship Cells	£2,000
	TOTAL APPROVED	£22,670

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2023

REVIEW OF ACHIEVEMENTS AND PERFORMANCE (continued)

Housing for Older People

In 2022-23 we housed 10 new residents in our Almshouse accommodation for older people.

During the year we completed improvements to properties, including:

- Eight new bathrooms and wet rooms installed in Dean Court, Jubilee Trust, Dovedale Cottage and Abraham Dawes.
- Replacement of five boilers and hot water cylinders at in Dean Court, Bowmans Court, Vaughan Court, and Victoria Homes.
- LED lighting upgrade and electric works at Bowmans Court, Jubilee Trust, and Dovedale Cottages.
- Replacement of eleven new kitchens in the following schemes- Dean Court, Abraham Dawes, Woolwich Parochial, Tawny Close, Jubilee Trust, and Dovedale Cottages.
- Installation of a new video entry door and fire door replacement at Dovedale Cottages.

Commercial Property

Our commercial property consists of a parade of shops at 19 to 26 The Green, with 13 apartments above, all let on 125-year leases. It is a well-known local landmark, on a busy route into Ealing Broadway, and is in a conservation area.

It's been a recovery year from the Covid-19 pandemic for our Commercial Lets (where 100% of the businesses have been impacted by Covid-19 and many unable to open until July 2021) but also the businesses were impacted by the cost-of-living crisis and high interest rate. Trustees supported the Commercial tenants, based on individual assessments, and provided financial support for the Commercial lets between March 2020 and June 2021, to the total value of £53,650 however, a high arrears balances were accumulated due to the impact of the pandemic. During this financial year Pathways worked with commercial tenants to reduce the outstanding balances on their accounts, after the year-end a total amount of £125k was collected leaving the commercial tenants with no arrears on their accounts.

One of the shops was vacated due to the impact of the pandemic for 12 months, this has now been leased on a 10-year lease agreement on 4th May 2023.

Investments

The Charity's investment portfolios managed by Investec produced negative total returns after fees of (5.21)% and (2.20)% compared to the negative benchmarks returns of (2.85)% and (1.71)%. Similar losses were suffered on the Charity's holdings in M&G and CCLA managed funds.

Allotments

Demand for our allotments remains high and over-subscribed. The day-to-day responsibility for allotment management is in the hands of plot-holders committees, the Ealing Dean Allotment Society, and the Haslemere Allotments Association, under a management agreement signed between the Charity and each committee. The allotment committees are paid a management fee to fund day-to-day maintenance and administration and the Charity pays for major works. The arrangements are working very well, and we are appreciative of the efforts of the two committees.

The Allotments has proved a real sanctuary for plot holders. the allotments provided a vital open space where people could get fresh air, exercise and, of course, grow their own healthy fruit and vegetables. The allotment site offered a refuge where you could talk to your plot neighbours and friends. Many plot holders said it was a 'lifeline' for both their physical and mental health.

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2023

VALUE FOR MONEY (VFM)

Our aim is to deliver services of the right quality economically, efficiently, and effectively, thus meeting the needs of our residents and all other stakeholders. Housing Pathways is committed to continuously improving our VFM for our residents in all aspects of our business.

Our VFM reporting and analysis is now focused on the seven key metrics which are used for comparison across the sector. The peer group median used comprised 34 smaller housing associations primarily providing Housing for Older People accommodation nationally and of which 20 members' data was included in the calculation.

Value for Money Key Metrics

	HfOP peer group 2022-23	Housing Pathways Trust
<p>1. Reinvestment % Considers the investment in properties (existing stock as well as new supply) as a percentage of the value of total properties held.</p>	4.02%	1.59%
<p>2. New Supply Delivered % The number of new social housing and non-social housing homes that have been acquired or developed in the year as a proportion of total social housing and non-social housing homes owned at period end. A. New supply delivered (Social housing homes) B. New supply delivered (Non-social housing homes)</p>	0% 0%	0% 0%
<p>3. Gearing % Assesses how much of the adjusted assets are made up of debt and the degree of dependence on debt finance.</p>	5.42%	(3.33)%
<p>4. Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs Included (EBITDA MRI) Interest Cover %. A key indicator for liquidity and investment capacity. Measures the level of surplus generated compared to interest payable</p>	439%	772%
<p>5. Social Housing Cost Per Unit The headline social housing cost per unit as defined by the Regulator</p>	£5,864	£6,854
<p>6. Operating Margin% Demonstrates the profitability of operating assets before exceptional expenses are taken into account. Increasing margins are one way to improve the financial efficiency of a business. A. Operating Margin (social housing lettings only) B. Operating Margin (overall) after adjusting for impairment and merger costs</p>	10.29%	(4.32)% 10.52%
<p>7. ROCE % Compares the operating surplus to total assets less current liabilities. An assessment of the efficient investment of capital resources.</p>	1.20%	0.98%

Housing Pathways Trust
Annual Report of The Trustees
For The Year Ended 31st March 2023

VALUE FOR MONEY (continued)**Social Housing Cost per Unit**

	HfOP peer group 2022-23	Housing Pathways Trust
Cost per home		
Management costs		2,640
Service charge costs		1,132
Routine maintenance cost		2,320
Planned maintenance		-
Major repairs expenditure		762
Other social housing costs		-
Total	£5,864	£6,854

The Charity's VFM metrics around Gearing and EBITDA compare favourably to its peer group, a reflection of the relatively low level of borrowing. However, the metrics for Operating Margin and ROCE are not so favourable which reflects the Charity's non-housing activities including grant-giving. Cost pressures in respect of maintenance and services have caused an increase in cost per unit and a decline in social housing lettings operating margin.

Key Performance Indicators (KPIs)

As members of the Housing for Older People benchmarking group, run by Acuity, which comprises about 34 similarly sized housing providers. We have access to a range of KPIs, both for the immediate group and national comparisons with Housemark, enabling us to compare performance and share good practice to drive improvements and reporting to stakeholders. The KPIs cover areas of organizational performance including resident satisfaction, Value for Money, repairs, lettings, voids, and compliance but they also provide benchmarking information on areas such as average working days lost due to staff sickness days.

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2023

VALUE FOR MONEY (continued)**Key Performance Indicators**

	HfOP 2022- 23	Housing Pathways Trust
Current resident annual WMC collection rate	100.9%	101.3%
Current resident arrears as a % of the annual WMC	0.71%	2.3%
Rent loss through dwelling being vacant %	1.6%	1.9%
Average re-lets time (calendar days)	30 days	75 days
Re-lets as a percentage of stock %	13%	4.1%

Information Communication Technology (ICT)

We have upgraded our IT equipment and have modernised software to ensure our systems are fit for purpose. We updated our website to make it more user-friendly for our residents and stakeholders. To continuously improve services and streamline key processes, we will continue to improve and embrace the best of new and emerging digital technology.

COMPLIANCE WITH THE 2020 NHF CODE OF CONDUCT

Housing Pathways Trust adopted the National Housing Federation 2020 Code of Governance in April 2021 and adheres to the Code, except where specified below.

The code includes a provision that trustees should serve no more than six years in total. Housing Pathways was the corporate trustee of Housing Pathways Trust and was compliant regarding Trustees' tenure and has appointed a number of new Trustees since 2020, based on needs identified through a skills audit. From 1st April 2022 Housing Pathways ceased to be corporate trustee and the individual trustees of Housing Pathways became the trustees of Housing Pathways Trust. The board not only includes people from diverse backgrounds and with diverse attributes, their membership helps to ensure healthy debate and challenge from a range of perspectives, the board also has a majority of newer members.

Our Asset & Liabilities register comprises details of our assets including investments, debtors, bank accounts, owned Housing properties including title and charges, property type, Weekly Maintenance Contributions by property, details of private lets and rents with cross references to the location of component values of housing stock. Management agreements and Ealing Green commercial property details are also cross-referenced to the location of lease files held. Liabilities on the register include loans; planned maintenance and major repair contracts; leases; pension deficit information, insurance and claims information, Pay As You Earn and Value Added Tax obligations.

The Board continues to monitor the evolving landscape particularly considering high cost of living and high inflation and to ensure the stress testing of business plans with changing scenarios.

Governance and Financial Viability Standard

The Board of Trustees confirms compliance with the Standard.

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2023

FINANCIAL REVIEW

The Charity recorded a negative net movement in funds of £(391,931) (2022: £1,411,828). Net Income before investment movements amounted to £263,868 (2022: £410,103) whilst investment movements were negative with losses on investments of £248,299 and losses on investment properties of £376,500 compared to gains of £193,725 and £742,000 in the prior year.

Within the net movement in funds, the Charity made a deficit on Almshouse Accommodation of £143,115 (2022: surplus of £41,086). Non-social housing activities including allotments, commercial properties produced income of £527,425 (2022: £595,329) and income from fixed asset investments amounted to £127,276 (2022: £121,831). Grants payable and associated costs were £109,370 (2022: £75,549). After interest, investment fees and movement in the fair value of the investment properties and fixed asset investments, the charity ended the year with a net expenditure of £360,931 (2022: net income of £1,345,828). Actuarial movements on the Social Housing Pension Scheme amounted to losses of £31,000 compared to gains of £66,000 in 2022.

Reserves Policy and Reserves

Designated reserves are maintained in accordance with guidance issued by the National Almshouse Association for the cyclical maintenance and repair of the properties. Details of the designated reserves can be found in note 20. The Trustees continue to review the Charity's reserves.

Total Funds at 31st March 2023 of £21,711,090 (2022: £22,103,021) comprising Restricted Funds of £3,173,691 (2022: £3,265,877), Permanent Endowment Funds of £13,538,705 (2022: £14,104,254) and Unrestricted Funds of £4,998,694 (2022: £4,732,890) including Designated Funds of £2,341,262 (2022: £2,394,520) including a grant reserve of £269,073, and maintenance reserves totalling £2,072,189. The revised Scheme governing the Charity reclassified several the properties as part of the Permanent Endowment, rather than Unrestricted. These comparative amounts have been adjusted to reflect that reclassification.

The level of maintenance reserves is considered adequate to cover any such costs that are likely to be charged to the revenue account. General funds amount to £2,657,432 and are in place to ensure ongoing trading in the event of any material loss of income, and as a result of the need to build up liquidity to fund future capital costs of Planned Maintenance and expansion of our housing stock. After making allowance for tangible fixed assets used for the charity's activities, reserves amounted to £2,428,983.

Investment Policy

The investment policy lodged with Investec is to invest prudently in a broad range of fixed interest securities and equities, which are quoted on a Registered Investment Exchange, and unit trusts, within an agreed range of percentage holdings for each class of investment. A Balanced objective has been adopted, seeking long term real return on capital as well as income. Companies engaging in or earning more than 10% of their profits from "home collected credit" represent the only ethical restriction in force. The charity also has investments in the M&G Charity Multi Asset Fund and M&G Equities Investment Funds which both seek a combined income and capital real return. The next annual review of the investment providers and investment product is planned to be undertaken by December 2023.

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2023

FINANCIAL REVIEW (continued)

Risk Management

The major risks to which the Charity is exposed, as identified by the Trustees, are regularly reviewed. In addition, the Trustees have put in place systems, policies, and procedures to mitigate these risks once they are identified and assessed. All reports presented to Board and sub-committees include an executive summary of risk which cross refers to the risks identified in the key risks register.

The Key risks and uncertainties facing the charity cover several areas of operation and are controlled using procedures and sub-committee overview identifies further mitigations and the responsible manager. Key risks include the long-term impact of the Covid-19 pandemic, increased energy cost, high cost of living and high inflation rate e.g. loss of income, residents' well-being. Other risks identified are breach of legislation or covenants, compliance failure, a build-up of arrears and misappropriation of funds through fraud.

Fraud

The Board has a policy on fraud covering prevention, detection and reporting of fraud and the recovery of assets. The Chair and A&R Committee Chair are notified immediately of any attempted fraud.

Anti-bribery policy statement

We seek to maintain the highest standards of ethics and integrity in the way we conduct our business. We recognise that bribery and corruption in all its forms, is illegal and unacceptable. Our bribery policy statement has been integrated into our code of conduct and our gifts and hospitality policy, adopted by the Board, signed by the Chairman and Chief Executive. We expect our business partners to adopt a similar approach to bribery or corruption.

FUTURE PLANS

Our key priorities are to:

- Improve customer satisfaction and deliver value for money for our residents
- Carry out planned maintenance in our alms-houses in accordance with our stock condition survey and planned maintenance programme.
- To reduce our cost base and seek better Value for Money, which is seen as a sensible approach in what are generally uncertain economic times.

The Board is in the process defining its asset management strategy alongside its new business plan and asset management plan. We will continue to reduce our cost base and improve Value for Money in accordance with the standard whilst driving and improving performance against the seven key metrics year on year.

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities in England and Wales and Registered Social Housing legislation requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity at the year end and of the surplus or deficit of the charity for that period. In preparing those financial statements at the year end, the Trustees should follow best practice and:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue to operate.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Social Housing 2022. The Trustees are responsible for taking reasonable steps to safeguard the assets of the Charity and for the prevention and detection of fraud and other irregularities.

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2023

AUDITORS

Knox Cropper LLP have expressed their willingness to continue in office and a resolution for their reappointment is deferred to the next Board meeting – November 2023.

The Board of Housing Pathways Trust would like to record their particular appreciation of the assistance provided by Matthew Elkins and his colleagues at Knox Cropper.

TRUSTEES' STATEMENT ON INTERNAL FINANCIAL CONTROLS

The Trustees acknowledge their ultimate responsibility for ensuring that Housing Pathways Trust has in place a system of controls that is appropriate to the various business environments in which it operates.

These controls are designed to give reasonable assurance with respect to:

- (a) the reliability of financial information used within the charity or for publication
- (b) the maintenance of proper accounting records, and
- (c) the safeguard of assets against unauthorized use or disposition

It is the Trustees' responsibility to establish and maintain systems of internal financial control. Such systems can only provide reasonable but not absolute assurance against material financial misstatement or loss. Key elements include ensuring that:

- (a) formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the charity's assets.
- (b) experienced and suitably qualified staff take responsibility for important business functions.
- (c) forecasts and budgets are prepared which allow the Trustees and management to monitor the key business risks and financial objectives and progress towards financial plans set for the year and medium term; regular management accounts are prepared promptly; providing relevant, reliable and up-to-date financial and other information and significant variance from budgets are investigated as appropriate.
- (d) all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through relevant sub-committees comprising the Trustees and others.
- (e) the Trustees reviews reports from management and from external auditors to provide reasonable assurance that control procedures are in place and are being followed. This includes a general review of the major risks facing the charity.
- (f) the Trustees have reviewed the effectiveness of the system of internal financial controls in existence in the charity for the year ended 31st March 2023 and up to the date of this report. No weaknesses were found in internal financial controls, which require disclosure in the financial statements or in the auditors' report in the financial statements.

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2023

CHAIRMAN'S REPORT

It is always a delight to reflect back on the previous year and look at some of the things we have achieved as Pathways.

Recently, I had the opportunity to visit some of our properties and meet with residents in their homes. Their feedback to me reflected what was said at the Residents conference this year by those who had attended who were expressing a greater level of contentment and satisfaction with the service provided by our staff and team.

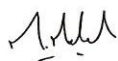
Having come out of the difficult season of the pandemic, we are now looking to invest in our housing stock in a greater way and this last year has been about preparing to do that, to ensure that we are on top of our maintenance and improvements.

The Grants committee have again given to many good causes, and we have taken the decision to invest in a greater way in this important aspect of our work so that we can reach those most in need and extend the Pathways family by doing so.

Obviously, staff is an important factor in providing continuity for our residents and for the work going forward. It has been a delight to see all our staff who have been on temporary contracts now on permanent contracts with us which places us as a Trust in a good position going forward.

I am, as ever, grateful to our strong and dedicated staff team and our skilled Board whose members offer their services to help make us a safe and secure Trust.

Approved by the Board of Directors at its meeting on 16/10/2023.....2023 and signed on its behalf by:



Mark Melliush

Chair of Housing Pathways Trust

Housing Pathways Trust**Independent Auditor's Report to the Trustees of Housing Pathways Trust****For The Year Ended 31st March 2023****Opinion**

We have audited the financial statements of Housing Pathways Trust (the 'charity') for the year ended 31st March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st March 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011, the Housing and Regeneration Act 2008, and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company'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.

Our opinion on the financial statements does not cover the other information and 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.

Housing Pathways Trust

Independent Auditor's Report to the Trustees of Housing Pathways Trust

For The Year Ended 31st March 2023

Matters on which we are required to report by exception

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

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

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant are the Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Housing and Regeneration Act 2008 and the Accounting Direction for Social Housing in England 2022.
- The Charity is required to comply with charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.
- We understood how the charity is complying with those frameworks via communication with those charged with governance, together with the review of the charity's documented policies and procedures.
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements. These included risks associated with Revenue Recognition, Management Override of Controls, and the increased incentive and pressure to commit fraud due to the Covid-19 environment, which were discussed and agreed by the audit team.

Housing Pathways Trust

Independent Auditor's Report to the Trustees of Housing Pathways Trust

For The Year Ended 31st March 2023

Auditor's responsibilities for the audit of the financial statements (continued)

- Our approach included agreeing the charity's recognition of income to the terms of the underlying grant agreements and associated correspondence, the review of journal entries processed in the accounting records and the investigation of significant and unusual transactions identified from our review of the accounting records.
- Our approach was also to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the directors with respect to the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the charity.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

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



Knox Cropper LLP
Chartered Accountants and Statutory Auditors
65 Leadenhall Street
London EC3A 2AD

17/10 2023

Knox Cropper LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Housing Pathways Trust

Statement of Financial Activities

For The Year Ended 31st March 2023

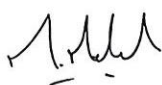
Notes	2023				2022 Combined (Note 28)			Total funds £
	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £	Unrestricted funds £	Restricted funds £	Endowment funds £	
Income from								
Donations and Grants	2,000	-	-	2,000	2,000	-	-	2,000
Charitable Activities								
<i>Almshouse Accommodation</i>	1,762,406	-	-	1,762,406	1,722,848	-	-	1,722,848
<i>Allotments</i>	12,724	-	-	12,724	25,960	-	-	25,960
Other Trading Activities	224,746	-	-	224,746	181,659	-	-	181,659
Investments	409,141	8,090	-	417,231	427,224	7,317	-	434,541
Other	-	-	-	-	-	-	75,000	75,000
	2,411,017	8,090	-	2,419,107	2,359,691	7,317	75,000	2,442,008
Expenditure on								
Raising Funds	109,934	1,921	5,635	117,490	243,611	1,915	6,380	251,906
Charitable Activities								
<i>Almshouse Accommodation</i>	1,542,324	85,280	277,917	1,905,521	1,462,781	83,316	135,665	1,681,762
<i>Allotments</i>	21,378	-	1,480	22,858	20,999	-	1,689	22,688
<i>Grant making</i>	108,841	-	529	109,370	75,071	-	478	75,549
	1,782,477	87,201	285,561	2,155,239	1,802,462	85,231	144,212	2,031,905
Gains/(losses) on investments	(192,916)	(13,075)	(42,308)	(248,299)	160,254	6,469	27,002	193,725
Gains/(losses) on investment properties	-	-	(376,500)	(376,500)	-	-	742,000	742,000
Net income/(expenditure)	435,624	(92,186)	(704,369)	(360,931)	717,483	(71,445)	699,790	1,345,828
Actuarial gains/(losses)	(31,000)	-	-	(31,000)	66,000	-	-	66,000
Transfers between funds	(4,866,671)	-	4,866,671	-	(47,906)	-	47,906	-
Net movement in funds	(4,462,047)	(92,186)	4,162,302	(391,931)	735,577	(71,445)	747,696	1,411,828
Funds brought forward 1st April 2022	9,460,741	3,265,877	9,376,403	22,103,021	8,725,164	3,337,322	8,628,707	20,691,193
Funds carried forward 31st March 2023	4,998,694	3,173,691	13,538,705	21,711,090	9,460,741	3,265,877	9,376,403	22,103,021

Housing Pathways Trust**Balance Sheet****As At 31st March 2023**

	Notes	2023		2022 Combined	
		£	£	£	£
Fixed Assets					
Housing Properties	10		11,623,708		11,793,355
Investment Properties	11		4,413,500		4,790,000
Other Fixed Assets	12		1,385,988		1,382,724
Social Investments	14		-		-
Investments	15		4,373,678		4,570,440
			<u>21,796,874</u>		<u>22,536,519</u>
Current Assets					
Trade and Other Debtors	16	280,487		173,722	
Cash and Cash Equivalents		<u>1,892,232</u>		<u>1,578,018</u>	
		2,172,719		1,751,740	
Creditors: Amounts falling due within one year					
	17	<u>(670,804)</u>		<u>(535,316)</u>	
Net Current Assets					
			1,501,915		1,216,424
Total Assets less Current Liabilities					
			<u>23,298,789</u>		<u>23,752,943</u>
Creditors: Amounts falling due after more than one year					
	18		(1,433,699)		(1,492,922)
Provisions for liabilities	23		<u>(154,000)</u>		<u>(157,000)</u>
Net Assets					
			<u>£21,711,090</u>		<u>£22,103,021</u>
Funds					
Permanent Endowment	20		13,538,705		9,376,403
Restricted Funds	20		3,173,691		3,265,877
Unrestricted Funds	20		4,998,694		9,460,741
Total Funds			<u>£21,711,090</u>		<u>£22,103,021</u>

16/10/2023

The financial statements were approved by the Trustees on2023 and signed on its behalf by:



Trustee

Mark Melluish (Chair)



Joshua Reddaway (Oct 17, 2023 11:45 GMT+1)

Trustee

Joshua Reddaway

Housing Pathways Trust
Statement Of Cash Flows
For The Year Ended 31st March 2023

	Notes	2023 £	2022 Combined £
Net Cash generated from Operating Activities	A	618,157	792,348
Cash Flows from Investing Activities			
Capitalised works to existing housing properties		(184,426)	(234,671)
Purchase of other fixed assets		(31,235)	(540)
Repayments of Social Investments		436	1,743
Proceeds from sale of investments		1,944,029	725,349
Additions to investments		(2,121,167)	(708,104)
Investment management fees		(19,330)	(22,012)
Investment income and bank interest received		115,739	116,141
Net Cash generated from/(used in) Investing Activities		<u>(295,954)</u>	<u>(122,094)</u>
Cash Flows from Financing Activities			
Interest paid		(67,533)	(38,358)
Repayment of Loans		(75,064)	(84,922)
Net Cash (used in)/generated from Financing Activities		<u>(142,597)</u>	<u>(123,280)</u>
Net Change in Cash and Cash Equivalents		179,606	546,974
Cash and Cash Equivalents at the beginning of the year		1,734,877	1,187,903
Cash and Cash Equivalents at the end of the year		<u>£1,914,483</u>	<u>£1,734,877</u>
A Cash Flows from Operating Activities			
Net Income/(Expenditure) for the year		(360,931)	1,345,828
Depreciation		368,460	380,210
Income from Investments		(127,276)	(121,831)
Interest Payable		71,533	43,358
Investment management fees		19,330	22,012
Decrease/(Increase) in Debtors		(104,235)	154,251
Increase/(Decrease) in Creditors		151,329	(99,099)
(Decrease)/Increase in Pension Provision		(38,000)	(34,000)
Disposal of fixed assets		13,584	39,087
Reversal of impairment of Social Investments		(436)	(1,743)
(Gains)/Losses on Investments		248,299	(193,725)
Revaluation of investment property		376,500	(742,000)
		<u>618,157</u>	<u>£792,348</u>
B Cash and Cash Equivalents			
Bank Balances		1,892,232	1,578,018
Investment Managers Cash		22,251	156,859
		<u>1,914,483</u>	<u>£1,734,877</u>

Housing Pathways Trust
Statement Of Cash Flows
For The Year Ended 31st March 2023

Reconciliation of Net Debt

	At 01.04.22 £	Cash Flows £	At 31.03.23 £
Cash and Cash equivalents	1,734,877	179,606	1,914,483
Loans falling due within one year	(138,644)	15,841	(122,803)
Loans falling due after more than one year	(1,441,046)	59,223	(1,381,823)
Total	<u>155,187</u>	<u>254,670</u>	<u>£409,857</u>

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2023

1. **Accounting Policies**

(a) **Status**

Housing Pathways Trust is an unincorporated charity registered in England and Wales, registration number 211053. The principal office address is disclosed on page 1 of the annual report. The presentational currency is the Pound Sterling (£).

(b) **Basis of Accounting and Assessment of Going Concern:**

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities, in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (second edition issued in October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The accounts comply with the Charities Act 2011, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing in England 2022. The accounts are prepared on the historical cost basis of accounting unless otherwise stated in the relevant accounting policy.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) Second Edition issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Charity constitutes a public benefit entity as defined by FRS 102. The Trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern.

(c) **Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Income from Almshouse Accommodation represents weekly maintenance and service contributions receivable from residents and is recognised on an accruals basis.

Investment income is earned through holding assets for investment purposes such as shares and property and includes dividends and interest and rents and service charges from investment properties. Interest income is recognised using the effective interest method and dividend income is recognised as the Charity's right to receive payment is established. The Charity considers it is not practical to identify investment management costs incurred within collective investment schemes managed by M&G and CCLA with reasonable accuracy and thus the investment income is reported net of these costs. Rental income is recognised straight line over the term of the lease and service charges are recognised on an accruals basis.

Social Housing Capital grants are recognised using the performance model and recognised when receivable, or in the period in which a scheme is completed where the amount of the grant has been determined. Social Housing Grants are treated as restricted funds and reflected in the Fixed Asset Fund.

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2023

1. Accounting Policies (continued)

(d) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

(e) Housing Properties

Housing properties are measured at cost less accumulated depreciation and impairment losses. For housing properties acquired before 1st April 1978, market value as at that date is deemed to be cost. All subsequent acquisitions of housing properties or improvements to existing stock are measured at cost.

The cost of completed housing properties (net of the cost of land) is depreciated over the useful life of the properties. Properties are accounted for on a component cost basis with each component being depreciated over its estimated economic life. The principal components identified, and the depreciation rate applied to each component are set out below:

Land	-	not depreciated
Main fabric	-	Over 70 years
Roof structure and covering	-	Over 70 years
Windows & external doors	-	Over 30 years
Gas boilers	-	Over 15 years
Kitchen	-	Over 20 years
Bathrooms/WCs	-	Over 30 years
Mechanical systems	-	Over 30 years
Electrics	-	Over 40 years
Fire alarms/warden call	-	Over 15 years

(f) Investment Properties

Investment properties are measured at fair value at the balance sheet date. These properties are held for rental and are reflected under Investment Properties, as distinct from Social Housing Properties. In accordance with FRS102, no depreciation is charged on the investment properties.

(g) Other Fixed Assets

Allotment land is measured at deemed cost, being previous GAAP revaluations of £390,000 for Northfield Allotment and £355,000 for Haslemere Allotment taken as deemed cost on transition to FRS102. Improvements to the allotment sites are measured at cost less accumulated depreciation. Fixtures, fittings, and equipment are stated at cost less accumulated depreciation. Office property is held for the use of the charity and is measured at cost less accumulated depreciation.

Depreciation is charged in a straight line basis over the expected useful lives of the assets, at the following annual rates:

- 2% - Allotment Fencing
- 10% - Furniture & Fittings
- 33¼% - Computer Equipment

The Office Property is depreciated on a component basis using the same rates as applied to the Housing Properties.

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2023

1. **Accounting Policies (continued)**

(h) **Investments**

Fixed asset investments are a form of basic financial instrument are initially recognised at their transaction value and subsequently measured at their fair value using the closing quoted market price or the share of the Net Asset Value of the fund (if unlisted). All gains and losses are taken to the Statement of Financial Activities as they arise. The Statement of Financial Activities includes all net gains and losses arising on revaluation and disposals throughout the year.

Social investments, comprising a concessionary loan, are measured at cost less impairment.

(i) **Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(j) **Cash at bank and in hand**

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

(k) **Creditors**

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

(l) **Financial Instruments**

The Charity only holds basic financial instruments. The financial assets and financial liabilities of the Charity are as follows:

Debtors – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 16. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Liabilities – trade creditors and bank loans are classified as financial instruments and are measured at amortised cost as detailed in Notes 17 & 18.

(m) **Fund Accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for a specific purpose. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for a specific purpose. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2023

1. **Accounting Policies (continued)**

(m) **Fund Accounting (continued)**

Permanent endowment funds are restricted capital funds where there is no power to convert the original capital to income. Expendable endowment funds represent sums which the Trustees intend to retain intact but can if necessary be used in furtherance of the Charity objectives subject to any restrictions imposed by the donor.

(n) **Taxation**

As a non-profit making body, the charity believes that it is exempt from all forms of taxation other than value added tax (VAT). The charity partially makes taxable supplies of services and is only able to recover input tax, where this is charged, on items of expenditure relating to these supplies.

(o) **Pension Costs**

The Charity participates in a multi-employer defined benefit pension scheme providing benefits based on final pensionable pay. This is a funded scheme, and the assets are held separately from those of the charity in separate trustee administered funds.

Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities.

The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/expenditure are the current service costs and gains and losses on settlements and curtailments together with any change in the net defined benefit liability arising from employee service. They are included as part of staff costs. Net interest on the defined benefit liability is shown as a cost in the support cost. The remeasurement of the defined benefit liability is also reported in the statement of financial activities within other gains and losses and is shown in more detail in Note 23 to the accounts.

(p) **Significant Management Judgements and Estimation Uncertainties**

The following are the critical judgements and key sources of estimation uncertainty that the Board has made in the process of applying the charity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Fair value of Investment Properties

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in the Statement of Financial Activities. The Trustees assess the fair value of the investment properties based on recent market values. In determining the fair value on this basis, the valuation remains sensitive to fluctuations in the property market.

Identification of housing property components

The charity accounts for its expenditure on housing properties using component accounting. Under component accounting, the housing property is divided into those major components which are considered to have substantially different useful economic lives. Judgement is used in allocating property costs between components (land, structure, kitchens, bathrooms etc) and in determining the useful economic lives of each component.

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

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2023

1. **Accounting Policies (continued)**

(p) **Significant Management Judgements and Estimation Uncertainties (continued)**

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based on the expected utility of the assets. Uncertainties in these estimates relate to changes to decent homes standard requiring frequent replacement of components.

Bad debt provision

A full line by line review of trade debtors is carried out at the end of each month. Whilst every attempt is made to ensure that the bad debt provisions are as accurate as possible, there remains a risk that the provisions do not match the level of debts which ultimately prove to be uncollectible.

Defined Benefit Pension Scheme

As stated in Note 23, the Charity participates in a multi-employer defined benefit pension scheme. The value of the Charity's share of the net deficit in the scheme is sensitive to fluctuations in bond yields and other actuarial assumptions as detailed in Note 23.

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2023

2. Income from Charitable Activities

	2023	2022
	£	£
<i>Almshouse Accommodation</i>		
Maintenance contributions	1,536,856	1,497,602
Services contributions	225,550	225,246
	<u>1,762,406</u>	<u>1,722,848</u>
<i>Allotments</i>		
Allotment rents	12,724	25,960
	<u>£1,775,130</u>	<u>£1,748,808</u>

3. Income from Other Trading Activities

Management Fees	5,598	-
Private Lets	207,994	181,659
Office rent receivable	11,154	-
	<u>£224,746</u>	<u>£181,659</u>

Private let income represents the income derived from certain properties within the Charity's almshouse estate which are temporarily let on short-term licenses at market rates.

4. Income from Investments

<i>Investment Property</i>		
Rent receivable	245,904	240,350
Ground rent receivable	3,950	3,950
Service charges receivable	40,101	68,410
	<u>289,955</u>	<u>312,710</u>
Investment Income & Bank Interest	127,276	121,831
	<u>£417,231</u>	<u>£434,541</u>

5. Expenditure on Raising Funds

	2023	2022
	£	£
Investment management fees	19,330	22,012
Support costs – managing KGV	12,597	-
<i>Investment property costs</i>		
Management & support costs	73,051	69,849
Maintenance	31,935	39,600
Insurance	20,813	18,218
Section 20 works	-	36,214
Professional fees	11,463	15,883
Bad debts	(51,699)	50,130
	<u>£117,490</u>	<u>£251,906</u>

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2023

6. Expenditure on Charitable Activities

	2023	2022
	£	£
<i>Almshouse Accommodation</i>		
Management & support costs	662,108	586,493
Services	273,953	191,983
Maintenance	561,447	488,376
Depreciation	340,489	360,426
Disposals	13,584	29,170
Bad debts	10,110	409
Interest payable	43,830	24,905
	<u>1,905,521</u>	<u>1,681,762</u>
<i>Allotments</i>		
Management	9,935	8,100
Depreciation	1,194	1,194
Maintenance	-	1,738
Support costs	11,729	11,656
	<u>22,858</u>	<u>22,688</u>
<i>Grant-making</i>		
Grants awarded to institutions	88,086	55,969
Grants officer costs	-	10,082
Reversal of impairment of concessionary loan	(436)	(1,743)
Support costs	21,720	11,241
	<u>109,370</u>	<u>75,549</u>
	<u>£2,037,749</u>	<u>£1,779,999</u>

A breakdown of the institutions which were awarded grants during the year can be found in the Report of the Trustees.

7. Support Costs

	2023	2022
	£	£
Staff costs	433,119	416,075
Administration	163,003	177,649
Depreciation of office property	17,633	17,633
Depreciation of office equipment	8,273	-
Professional fees	21,802	5,936
Bank charges and sundries	1,558	5,564
Loan interest	23,703	13,453
Pension costs and interest	7,000	11,697
Irrecoverable VAT	37,387	13,640
Governance costs	10,514	17,592
	<u>£723,992</u>	<u>£679,239</u>

Included within Governance Costs is auditor's remuneration for the audit of the financial statements amounting to £10,700 excluding VAT (2022: £9,480, £7,900 excluding VAT).

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2023

8. Staff Costs

All employees are jointly employed by Housing Pathways Trust and associated Pathways charities, and their costs are recharged across the charities on a set basis reviewed annually. The proportion of staff costs charged to the Charity is as follows:

	2023	2022
	£	£
Wages and salaries	244,629	344,567
Social security costs	21,640	31,293
Pension costs	15,667	19,142
Redundancy	9,167	16,386
Agency staff & interim contractors	143,711	14,769
	<u>£434,814</u>	<u>£426,157</u>

The average weekly numbers of full-time equivalent employees during the year were 5 (2022: 10) and the average number of employees was 7 (2022: 10). There were no employees who received employee benefits in excess of £60,000 (2022: nil).

The remuneration payable to key management personnel for their services to the Charity amounted to £166,791 (2022: £78,499). No trustee received any remuneration for their role as a trustee or any other role with the Charity.

9. Social Housing Lettings

Maintenance contributions	1,536,856	1,497,602
Service charges receivable	225,550	225,246
Turnover from Social Housing Letting	<u>1,762,406</u>	<u>1,722,848</u>
Management	638,962	570,560
Services	273,953	191,983
Routine and Cyclical Maintenance	561,447	488,376
Property Depreciation	340,489	360,426
Bad debts	10,110	409
Operating costs of Social Housing Lettings	<u>(1,824,961)</u>	<u>(1,611,754)</u>
Gain/(Loss) on replacement of components	(13,584)	(29,170)
Operating surplus/(deficit) on Social Housing Lettings	<u>£(76,139)</u>	<u>£81,924</u>
Net Surplus/(Deficit) on social housing lettings	<u>£(143,115)</u>	<u>£41,086</u>
Void Losses	<u>£34,678</u>	<u>£5,539</u>

Housing Pathways Trust**Notes To the Financial Statements****For The Year Ended 31st March 2023****10. Fixed Assets Housing Properties**

	2023 Total £	2022 Combined Total £
Cost		
As at 1st April 2022	15,377,898	15,214,962
Works to existing properties	184,426	234,671
Disposals	<u>(42,930)</u>	<u>(71,735)</u>
As at 31st March 2023	<u>15,519,394</u>	<u>15,377,898</u>
Depreciation		
As at 1st April 2022	3,584,543	3,257,241
Charge for the year	340,489	359,950
Disposals	<u>(29,346)</u>	<u>(32,648)</u>
As at 31st March 2023	<u>3,895,686</u>	<u>3,584,543</u>
Net Book Value at 31st March 2023	<u>£11,623,708</u>	<u>£11,793,355</u>

All Properties are Freehold Properties except for two properties held on long leaseholds (cost £362,711 accumulated depreciation £57,343).

11. Investment Properties

	Ealing Green £	Vaughan Court £	Total £
Fair Value			
As at 1st April 2022	4,790,000	-	4,790,000
Additions	-	-	-
Movement in fair value	<u>(390,000)</u>	<u>13,500</u>	<u>(376,500)</u>
As at 31st March 2023	<u>£4,400,000</u>	<u>£13,500</u>	<u>£4,413,500</u>

The Investment properties were valued by S Hanton FRICS for Willmotts as at 31st August 2023.

Housing Pathways Trust**Notes To the Financial Statements****For The Year Ended 31st March 2023**12. **Other Fixed Assets**

	Allotments	Fixtures, Fittings & Equipment	Office	Total
	£	£	£	£
Cost				
As at 1st April 2022	798,881	17,747	679,846	1,496,474
Additions	-	31,235	-	31,235
Disposals	-	-	-	-
As at 31st March 2023	<u>798,881</u>	<u>48,982</u>	<u>679,846</u>	<u>1,527,709</u>
Depreciation				
As at 1st April 2022	11,174	14,404	88,172	113,750
On disposals	-	-	-	-
Charge for the year	1,194	9,144	17,633	27,971
As at 31st March 2023	<u>12,368</u>	<u>23,548</u>	<u>105,805</u>	<u>141,721</u>
Net Book Value				
At 31st March 2023	<u>£786,513</u>	<u>£25,434</u>	<u>£574,041</u>	<u>£1,385,988</u>
At 31st March 2022	<u>£787,707</u>	<u>£3,343</u>	<u>£591,674</u>	<u>£1,382,724</u>

All 2022 figures in this note represent combined figures.

13. **Capital Grants**

	2023	2022 Combined
	£	£
Aggregate amount received		
At 1st April 2022 and 31st March 2023	<u>£5,835,488</u>	<u>£5,835,488</u>
Released to Statement of Financial Activities		
At 1st April 2022 and 31st March 2023	<u>£5,835,488</u>	<u>£5,835,488</u>
Social Housing Grant Carrying Value	<u>£ -</u>	<u>£ -</u>

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2023

14. **Social Investments**

	2023	2022
	£	£
Concessionary loans		
At 1st April 2022	-	-
Repayments in the year	(436)	(1,743)
Reversal of impairment	436	1,743
At 31st March 2023	£ -	£ -

Concessionary loans comprise an interest-free loan made to Cultivate London Ltd in 2012. The loan was fully impaired in the year it was granted. The amount outstanding at 31st March 2023 is £47,645 (2022: £48,081).

15. **Fixed Asset Investments**

	2023			2022
	Unrestricted	Grassroots	Total	Combined Total
	£	£	£	£
Fair Value				
At 1st April 2022	4,128,402	285,179	4,413,581	4,225,333
Additions	2,044,732	85,442	2,130,174	719,872
Disposals	(1,978,360)	(89,569)	(2,067,929)	(735,309)
Unrealised gains/(losses)	(116,273)	(8,126)	(124,399)	203,685
At 31st March 2023	4,078,501	272,926	4,351,427	4,413,581
Cash Deposits	18,860	3,391	22,251	156,859
	£4,097,361	£276,317	£4,373,678	£4,570,440
Fixed Interest	200,321	20,130	220,451	166,496
Equities and Unit Trust	3,394,304	221,720	3,616,024	3,832,606
Property and Alternatives	383,876	31,076	414,952	414,479
Cash and Money Market	118,860	3,391	122,251	156,859
	£4,097,361	£276,317	£4,373,678	£4,570,440

Included within Fixed Asset Investments is £4,351,427 (2022: £4,413,581) measured at fair value through net income/(expenditure).

Investments with a carrying value of £2,067,929 were sold for net proceeds of £1,944,029, realising losses of £123,900 (2022: carrying value of £735,309 sold for net proceeds of £725,349, realising losses of £9,960).

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2023

16.	Debtors	2023	2022 Combined
		£	£
	Residents' Contributions	64,334	38,968
	Provision for Doubtful Debts	(10,110)	-
		54,224	38,968
	Private Let and Investment Property Debtors	196,018	117,720
	Connected parties:		
	Educational Foundation of Francis Courtney	3,000	-
	King George V Memorial Houses	4,665	-
	Prepayments and accrued income	22,580	17,034
		£280,487	£173,722
17. Creditors: Amounts falling due within one year			
			£
	Trade Creditors	166,418	75,205
	VAT and Social Security	23,114	12,536
	Connected parties:		
	Housing Pathways	73,867	9,412
	King George V Memorial Houses	-	-
	Loans (Note 19)	122,803	138,644
	Grants payable	8,550	26,306
	Deferred income	71,385	68,046
	Accrued expenses & Other Creditors	204,667	205,167
		£670,804	£535,316
	Deferred income at 1 April	68,046	68,038
	Income recognised in the year	(68,046)	(68,038)
	Amounts deferred this year	71,385	68,046
	Deferred income at 31 March	£71,385	£68,046
	Deferred income represents rent and service charges invoiced to tenants of the charity's investment properties related to periods beyond the balance sheet date.		
18. Creditors: Amounts falling due outside one year			
	Tenant deposits	51,876	51,876
	Loans (Note 19)	1,381,823	1,441,046
		£1,433,699	£1,492,922

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2023

19. Loans	2023	2022 Combined
	£	£
Repayable in less than one year (Note 17)	122,803	138,644
Repayable in more than one year (Note 18)	<u>1,381,823</u>	<u>1,441,046</u>
Total Loans	<u>£1,504,626</u>	<u>£1,579,690</u>

The Charity has four loans outstanding:

- Two loans with CAF Bank secured by a first legal charge on properties with a carrying value of £2,144,645 the properties at 1-57 Dean Court, Ealing. The loans are repayable in monthly instalments over remaining terms to 2039 and 2041, at an interest rate of 2.25% over base rate.
- A further loan with CAF Bank secured by a first legal charge on the properties with a carrying value of £125,029. The loan is repayable in monthly instalments over a remaining term to 2042, at an interest rate of 3.5% over base.
- A with the Co-operative Bank secured by a fixed charge on properties with a carrying value of £1,218,377. The interest repayable on the loan is a variable rate of 1.125% above base rate. Whilst there is an instalment repayment schedule in place the loan is contractually repayable to the lender on demand and as such is classified as a creditor falling due within one year.

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2023

20. Funds	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/(losses) on investments £	Other gains /(losses) £	Transfers £	Balance at 31 March 2023 £
Current Year							
Unrestricted Funds							
General Funds	7,066,221	2,372,376	(1,775,366)	(108,128)	(31,000)	(4,866,671)	2,657,432
<i>Designated Funds</i>							
Grants Reserve	269,073	-	-	-	-	-	269,073
Cyclical Repairs and Maintenance Reserve	466,515	5,139	(946)	(11,277)	-	-	459,431
Extraordinary Repairs Reserve	1,658,932	33,502	(6,165)	(73,511)	-	-	1,612,758
	9,460,741	2,411,017	(1,782,477)	(192,916)	(31,000)	(4,866,671)	4,998,694
Restricted Funds							
Fixed Asset Fund	2,907,388	-	(85,280)	-	-	-	2,822,108
Grassroots Fund	358,489	8,090	(1,921)	(13,075)	-	-	351,583
	3,265,877	8,090	(87,201)	(13,075)	-	-	3,173,691
Endowment Funds							
Permanent Endowment	9,376,403	-	(285,561)	(418,808)	-	4,866,671	13,538,705
	£22,103,021	£2,419,107	£(2,155,239)	£(624,799)	£(31,000)	£ -	£21,711,090
Prior Year - Combined							
Unrestricted Funds							
General Funds	6,411,981	2,323,144	(1,794,175)	107,177	66,000	(47,906)	7,066,221
<i>Designated Funds</i>							
Grants Reserve	269,073	-	-	-	-	-	269,073
Cyclical Repairs and Maintenance Reserve	455,697	4,861	(1,102)	7,059	-	-	466,515
Extraordinary Repairs Reserve	1,588,413	31,686	(7,185)	46,018	-	-	1,658,932
	8,725,164	2,359,691	(1,802,462)	160,254	66,000	(47,906)	9,460,741
Restricted Funds							
Fixed Asset Fund	2,990,704	-	(83,316)	-	-	-	2,907,388
Grassroots Fund	346,618	7,317	(1,915)	6,469	-	-	358,489
	3,337,322	7,317	(85,231)	6,469	-	-	3,265,877
Endowment Funds							
Permanent Endowment	8,628,707	75,000	(144,212)	769,002	-	47,906	9,376,403
	£20,691,193	£2,442,008	£(2,031,905)	£935,725	£66,000	£ -	£22,103,021

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2023

20. Funds

Designated Funds

Extraordinary Repair Fund

The Charity maintains an Extraordinary Repair Fund which is sufficient for the purpose of providing for extraordinary repair, improvement, or rebuilding of the almshouses. With the advent of component accounting, major repairs are usually capitalised. The level of the reserve is considered adequate to cover any such costs that are likely to be charged to the revenue account.

Cyclical Repairs and Maintenance Reserve

This fund is based on the charity's obligation to provide on a continuing basis for the repair and maintenance of their properties based on a planned programme of works and is considered adequate.

Restricted Funds

Grassroots Fund

The Charity set up a restricted fund called the Grassroots Endowment, to ensure the Grassroots project was sustained beyond 2011, when Government funding ceased. Income for the Fund is invested separately, and the balance held as a separate fund.

Fixed Assets Fund

The Fixed Assets Fund represents the proportion of housing properties funded by social housing grant, less the accumulated depreciation attributable to that element of the cost. Social housing grants may be repayable if the charity sells a property or ceases to use it for a qualifying purpose.

Endowment Funds

Permanent Endowment

Under a Charity Commission Scheme dated 18th May 2000 as amended, the four predecessor charities were amalgamated to form the Ealing and Brentford Consolidated Charity which became Housing Pathways Trust in 2012. Under the terms of the Scheme, Housing Pathways Trust's activities were classified into four branches and the Scheme specifically refers to the assets which represented each branch's permanent endowment and expendable endowment. The revised Scheme dated 1st April 2022 consolidated the purposes of branches 1 and 2.

21. Net Assets and Funds by Branch

	Branch 1 £	Branch 2 £	Branch 3 £	Restricted £	Total £
Properties	11,623,708	-	-	-	11,623,708
Investment					
Properties	4,413,500	-	-	-	4,413,500
Other Fixed Assets	1,385,988	-	-	-	1,385,988
Investments	3,462,934	629,882	4,544	276,318	4,373,678
Net Current					
Assets/ (Liabilities)	1,500,817	(74,565)	398	75,265	1,501,915
Creditors Due					
Outside One Year	(1,433,699)	-	-	-	(1,433,699)
Provisions for					
Liabilities	(154,000)	-	-	-	(154,000)
	<u>£20,799,248</u>	<u>£555,317</u>	<u>£4,942</u>	<u>£351,583</u>	<u>£21,711,090</u>
Permanent					
Endowment	13,069,606	466,309	2,790	-	13,538,705
Restricted Funds	2,822,108	-	-	351,583	3,173,691
Designated Funds	2,341,262	-	-	-	2,341,262
Unrestricted Funds	2,566,272	89,008	2,152	-	2,657,432
	<u>£20,799,248</u>	<u>£555,317</u>	<u>£4,942</u>	<u>£351,583</u>	<u>£21,711,090</u>

Housing Pathways Trust**Notes To the Financial Statements****For The Year Ended 31st March 2023****22. Net Assets by Funds**

	Permanent Endowment	Restricted Funds	Unrestricted Funds	2023 Total
	£	£	£	£
Housing Properties	8,598,585	2,822,108	203,015	11,623,708
Investment Properties	4,413,500	-	-	4,413,500
Other Fixed Assets	1,360,554	-	25,434	1,385,988
Investments	670,692	276,318	3,426,668	4,373,678
Net Current Assets/(Liabilities)	(122,803)	75,265	1,549,453	1,501,915
Creditors Due Outside One Year	(1,381,823)	-	(51,876)	(1,433,699)
Provisions for Liabilities	-	-	(154,000)	(154,000)
	<u>£13,538,705</u>	<u>£3,173,691</u>	<u>£4,998,694</u>	<u>£21,711,090</u>
	Permanent Endowment	Restricted Funds	Unrestricted Funds	2022 Total
	£	£	£	£
Housing Properties	3,701,487	2,907,388	5,184,480	11,793,355
Investment Properties	4,790,000	-	-	4,790,000
Other Fixed Assets	1,379,381	-	3,343	1,382,724
Investments	716,549	291,322	3,562,569	4,570,440
Net Current Assets/(Liabilities)	63,031	67,167	1,086,226	1,216,424
Creditors Due Outside One Year	(1,274,045)	-	(218,877)	(1,492,922)
Provisions for Liabilities	-	-	(157,000)	(157,000)
	<u>£9,376,403</u>	<u>£3,265,877</u>	<u>£9,460,741</u>	<u>£22,103,021</u>

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2023

23. Pension Obligations

Housing Pathways Trust participates in the Social Housing Pension scheme, (SHPS) a multi-employer scheme which provides benefits to some 500 non-associated employers. The scheme is a defined benefit scheme in the UK administered by TPT Retirement Solutions ('TPT').

The scheme is classified as a 'last-man standing arrangement'. Therefore, Housing Pathways Trust is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

Present Values of Defined Benefit Obligation, Fair Value of Assets and Defined Benefit Asset/(Liability)

	2023	2022
	£	£
Fair value of plan assets	662,000	1,039,000
Present value of defined benefit obligation	(816,000)	(1,196,000)
Surplus/(deficit) in plan	<u>£(154,000)</u>	<u>£(157,000)</u>

Reconciliation of opening and closing balances of the Defined Benefit Obligation

	2023	2022
	£	£
Defined benefit obligation at start of period	1,196,000	1,352,000
Current service cost	3,000	10,000
Expenses	3,000	3,000
Interest expense	33,000	29,000
Contributions by plan participants	2,000	4,000
Actuarial losses/(gains) due to scheme experience	(27,000)	(17,000)
Actuarial losses/(gains) due to changes in demographic assumptions	(2,000)	(19,000)
Actuarial losses/(gains) due to changes in financial assumptions	(362,000)	(105,000)
Benefits paid and expenses	(30,000)	(61,000)
Defined benefit obligation at end of period	<u>£816,000</u>	<u>£1,196,000</u>

Reconciliation of opening and closing balances of the Fair Value of Plan Assets

	2023	2022
	£	£
Fair value of plan assets at start of period	1,039,000	1,100,000
Interest income	29,000	24,000
Experience on plan assets	(422,000)	(75,000)
Contributions by the employer	44,000	47,000
Contributions by plan participants	2,000	4,000
Benefits paid and expenses	(30,000)	(61,000)
Fair value of plan assets at end of period	<u>£662,000</u>	<u>£1,039,000</u>

The actual return of the plan assets (including any changes in share of assets) over the period ended 31 March 2023 was £(393,000).

Housing Pathways Trust**Notes To the Financial Statements****For The Year Ended 31st March 2023****23. Pension Obligations (continued)****Defined Benefit costs recognised in Net Income/(Expenditure)**

	2023	2022
	£	£
Current service cost	3,000	10,000
Less: amount allocated to other group charities	-	(3,303)
Expenses	3,000	3,000
Net interest expense	4,000	5,000
	<u>£10,000</u>	<u>£14,697</u>

Defined Benefit costs recognised in Other Gains and Losses

	2023	2022
	£	£
Experience on plan assets	(422,000)	(75,000)
Experience gains and losses arising on the plan liabilities	27,000	17,000
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation	2,000	19,000
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation	362,000	105,000
Actuarial (loss)/gain recognised in other recognised gains/(losses)	<u>£(31,000)</u>	<u>£66,000</u>

Housing Pathways Trust**Notes To the Financial Statements****For The Year Ended 31st March 2023****23. Pension Obligations (continued)**

Assets	2023 (£000s)	2022 (£000s)
Global Equity	12	199
Absolute Return	7	42
Distressed Opportunities	20	37
Credit Relative Value	25	34
Alternative Risk Premia	1	34
Emerging Markets Debt	4	30
Risk Sharing	49	34
Insurance-Linked Securities	17	24
Property	29	28
Infrastructure	76	74
Private Debt	29	27
Opportunistic Illiquid Credit	28	35
High Yield	2	9
Opportunistic Credit	-	4
Corporate Bond Fund	-	69
Long Lease Property	20	27
Secured Income	30	39
Liability Driven Investment	305	290
Currency Hedging	1	(4)
Net Current Assets	7	7
Total Assets	<u>£662</u>	<u>£1,039</u>

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

Key Assumptions	2023 % per annum	2022 % per annum
Discount Rate	4.86	2.79
Inflation (RPI)	3.19	3.54
Inflation (CPI)	2.77	3.17
Salary Growth	3.77	4.17
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31st March 2023 imply the following life expectancies:

	Life expectancy at age 65 (Years)
Male retiring in 2023	21.0
Female retiring in 2023	23.4
Male retiring in 2043	22.2
Female retiring in 2043	24.9

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2023

24. Capital Commitments

At 31st March 2022 there were no commitments in relation to the refurbishment of the charity's properties or otherwise.

25. Contingent Liabilities

There were no contingent liabilities at 31st March 2023 or 31st March 2022, other than that of the potential employer debt on the Pension Scheme (Note 23).

26. Housing Stock

The number of units of housing owned by the Charity at 31st March 2023 and 31st March 2022 were:

	Units Under Ownership	
	2023	2022
Social Housing Accommodation		
Sheltered Housing	234	124
General needs	8	8
Units let at market rents	13	6
	255	138

Units owned and managed increased in the year as a result of the merger with Pathways Jubilee Charity and Almshouse and Eleemosynary Charity which brought 110 sheltered housing and 7 market rent units into the Charity's ownership.

27. Related Parties

Housing Pathways was until 1st April 2022 the Corporate Trustee of Housing Pathways Trust and since this date has common trustees. Housing Pathways acts as the paymaster for employees jointly employed by the Pathways charities.

In the year ended 31st March 2023 the Charity was allocated staff costs of £95,509 (2022: £254,336). Until 30 June 2022, Housing Pathways provided administrative services to the Charity and charged £29,070 (2022: £93,303) to the Charity.

At 31st March 2023 the Charity owed £72,855 (2022: £8,822) to Housing Pathways.

The Charity has common trustees with King George V Memorial Houses and provides a management service to that charity. In the year ended 31st March 2023 charged £5,598 was charged. At the year end £4,665 was owed by King George V Memorial Houses to the Charity.

The Charity made a payment on behalf of Educational Foundation of Francis Courtney, with which it has common trustees. At the year end £3,000 was owed to the Charity by Educational Foundation of Francis Courtney.

One trustee was reimbursed travel expenses amounting to £316 during the year.

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2023

28. Merger with Pathways Jubilee Charity and Almshouse and Eleemosynary Charity

By order of a Scheme issued by the Charity Commission, on 1st April 2022 the Pathways Jubilee Charity (registration number 247553) and Almshouse and Eleemosynary Charity (registration number 1113829) were merged into Housing Pathways Trust. The net assets of the Charity increased by £6,054,276 on completion of the merger. This Scheme also merged Branch 2 of the Charity into Branch 1. In accordance with Section 27 of the Charities SORP, this has been accounted for using merger accounting, rather than as an acquisition. Therefore, the financial statements have been prepared as though the charities had always been one charity. The comparative amounts in the financial statements therefore represent 'Combined' amounts.

Analysis of principal SoFA components for the current reporting period

	HPT pre-merger	Pathways Jubilee	Almshouse & Eleemosynary	HPT post-merger	Combined Total
	£		£	£	£
Total Income	-	-	-	2,419,107	2,419,107
Total Expenditure	-	-	-	(2,155,239)	(2,155,239)
Investment gains	-	-	-	(624,799)	(624,799)
Net Income	-	-	-	(360,931)	(360,931)
Actuarial losses	-	-	-	(31,000)	(31,000)
Net Movement in Funds	£ -	£ -	£ -	£(391,931)	£(391,931)

Analysis of principal SoFA components for the previous reporting period

	Housing Pathways Trust	Pathways Jubilee	Almshouse & Eleemosynary	Combined Total
	£		£	£
Total Income	1,560,440	837,486	44,082	2,442,008
Total Expenditure	(1,204,516)	(798,817)	(28,572)	(2,031,905)
Gains on Investments	880,052	48,714	6,959	935,725
Net Income and Actuarial gains	1,235,976	87,383	22,469	1,345,828
Actuarial gains	66,000	-	-	66,000
Net Movement in Funds	1,301,976	87,383	22,469	1,411,828
Total funds brought forward	14,746,769	5,773,078	171,346	20,691,193
Total funds carried forward	£16,048,745	£5,860,461	£193,815	£22,103,021

Analysis of net assets of the date of merger

	Housing Pathways Trust	Pathways Jubilee	Almshouse & Eleemosynary	Combined Total
	£		£	£
Net Assets	16,048,745	5,860,461	193,815	22,103,021
Represented by:				
Unrestricted funds	4,785,344	4,481,582	193,815	9,460,741
Endowment funds	9,376,403	-	-	9,376,403
Restricted funds	1,886,998	1,378,879	-	3,265,877
Total funds	£16,048,745	£5,860,461	£193,815	£22,103,021

HOUSING PATHWAYS TRUST

England & Wales - Charity number 211053

Accounts

HOUSING PATHWAYS TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022

Social Housing Regulator No. A0376

Charity Registered No. 211053

HOUSING PATHWAYS TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022

INDEX

	Pages
Annual Report of the Trustee	1 – 19
Independent Auditors' Report	20 – 22
Statement of Financial Activities	23
Balance Sheet	24
Statement of Cash Flows	25 – 26
Notes to Financial Statements	27 – 46

Housing Pathways Trust
Annual Report of The Trustees
For The Year Ended 31st March 2022

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY

Charity Registration

Housing Pathways Trust is governed by a Scheme issued by the Charity Commissioners for England and Wales on the 18th May 2000 (consolidating Ealing Consolidated Charities, Bowman and Taylor Trust, Bowman and Others: Brentford Trust and Bowman Ecclesiastical Trust into The Ealing and Brentford Consolidated Charity, since renamed), as amended by resolution dated 24th March 2011 and as amended by a further Scheme issued on the 5th January 2012.

On 1st April 2022 the Charity Commission approved the merger of Housing Pathways Trust, Almshouse & Eleemosynary Charity and Pathways Jubilee Charity. The merged charity is known as Housing Pathways Trust (Charity number 211053) and a new scheme was issued on the 1st April 2022.

The charity is registered with the Regulator of Social Housing as a Registered Provider (No. A0376).

Principal and Administration Address

Registered office of Corporate Trustee:
 33 Dean Court
 Bowmans Court
 Ealing,
 London
 W13 9YU

Trustees

On 1st April 2022, by order of a Scheme of the Charity Commission Housing Pathways ceased to be trustee of the charity and the existing trustees of Housing Pathways were appointed as the trustees of the charity.

Until 1st April 2022: Corporate Trustee
 Housing Pathways

From 1st April 2022:
 Rev. Mark Melliush Ex-Officio, Chair
 Ms Janet Weekes
 Ms Katherine Yentumi
 Ms Isabella Rossi
 Mr Matthew Doyle
 Ms Andrea Joseph
 Mr Andrew Jefford

Custodian Trustees:

Title to the charity's housing properties and investment properties is vested in either the Official Custodian for Charities or Housing Pathways.

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2022

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY (continued)

Officers and advisors

Chief Executive Officer and management team

The Board appointed Steve McNaughton as interim Chief Executive on a consultancy basis in May 2021. Bolaji Campell is the Head of Finance & Company Secretary.

Leanne Donald-Whitney, Head of Operation left Pathways 3rd February 2022. Mike Smart was appointed as Operations Manager on 22nd May 2022.

Principal Advisors

Principal Auditors

Knox Cropper LLP
Chartered Accountants
65 Leadenhall Street
London
EC3A 2AD

Principal Chartered Surveyors

Ingleton Wood
10 Lake Meadows Business Park
Woodbrook Crescent
Billericay
Essex
CM12 0EQ

Principal Bankers

National Westminster Bank Plc
1 The Mall
Ealing
London
W5 2PL

Principal Solicitors

Devonshires
30 Finsbury Circus
London
EC2M 7DT

Principal Investment Managers

Investec Wealth & Investment Limited
30 Gresham Street
London
EC2V 7QN, United Kingdom

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

Housing Pathways Trust is an unincorporated charity which is governed by a Scheme issued by the Charity Commissioners for England and Wales on 18th May 2000 as amended by resolution dated 24th March 2011 and a further Scheme issued on the 5th January 2012.

The Charity is the consolidation of a number of smaller charities dating back to the sixteenth century with the areas of benefit incorporating the London Borough of Ealing and the town of Brentford.

How Trustees are Recruited, Appointed, Inducted and Trained

Housing Pathways is the corporate Trustee until 1st April 2022. There are no geographical restrictions on director appointment and applications from persons living in Greater London boroughs, particularly where we have a presence, are welcomed. Vacancies are advertised in the local press and on charity related websites, with a nationwide reach. Applicants for director vacancies are interviewed by the Chair of the Board and 2 other Board members of the nominations committee prior to appointments. All new directors have an induction session which covers core areas of the business.

Existing directors also have access to ongoing training opportunities, to assist them in fulfilling their roles and responsibilities. In addition to the Board meetings, directors attend an annual review day, which allows for detailed discussions on strategic planning issues.

Organisation and Management

Housing Pathways is the Corporate Trustee, but delegates most of the day-to-day management of the Charity to its Chief Executive and staff. The Chief Executive reports to the Chair and the Board of Directors of Housing Pathways. The Directors of Housing Pathways are also Trustees.

Housing Pathways provides a full management service to the Charity, including all operational, administrative and financial functions, for which it charges a management fee.

The Housing Pathways Trust Board usually meets six times a year to agree strategy, oversee operations, manage risk and consider the financial standing of the Charity. In addition to the main meetings of the Board of Directors of Housing Pathways there are the following sub-committees which focus on specific areas of the business in more detail: Audit and Risk, Development and Asset Management, Grants and Nominations. Governance matters are dealt with by the main Board, except that the nominations sub- committee oversees the recruitment of new directors.

The Board and each sub-committee have an agreed Terms of Reference, detailing their purpose and responsibilities. The key decision-making protocols are contained in the Committees' terms of reference and the Financial Standing orders, the latter being reviewed by the Audit and Risk Committee annually.

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

In July 2021, the board appointed Joshua Reddaway as a co-optee to Audit & Risk Committee and Alice Mackenzie retired from the board and joined the Grant Committee as a co-optee in April 2021.

The board considers a range of peer organizations pay reviews as a benchmark, and the overall economic and regulatory conditions in which the Charity is expected to operate in the coming year. In assessing the April 2021 staff pay review, the prevailing CPI rate and uncertainty regarding covid-19 pandemic and its possible effect on the economy in general and house prices and rents in particular, were taken into account.

Staff are responsible for carrying out the strategy agreed by the Board and the Chief Executive may act within the constraints of the overall expense budget agreed by the Board. The management team during the year comprised, in addition to the Chief Executive, a Housing team and a Finance team.

OBJECTIVES AND ACTIVITIES

Objects

The objectives of the charity are:

Branch 1 (as amended by the Charity Commission order of 5th January 2012):

(1) The objects of branch 1 are:

- (a) The provision of housing accommodation for persons who are in need, hardship or distress who (except in special cases to be approved by the Commission) are resident in the former Borough of Ealing or the London Borough of Ealing;
- (b) Such charitable purposes for the benefit of the residents as the trustees decide; and
- (c) The relief of persons resident in the London Borough of Ealing who are in need, hardship or distress.

Branch 2

The relief of persons who are in need, hardship or distress in Brentford and the surrounding areas.

Branch 3

To further the religious and other charitable work of the Church of England in the London Borough of Ealing.

Branch 4

To promote the education of children who are in need of financial assistance and are resident in the London Borough of Ealing.

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2022

OBJECTIVES AND ACTIVITIES (continued)

Charity's Aims

The Charity's aims are to manage and improve performance to achieve Value for Money and better economies of scale in order to compare well with the best in our sector.

Activities

The trustees have had regard to Charity Commission guidance on public benefit. The Charity's activities (as below listed) meet the two key principles of public benefit as set out in Charities and Public Benefit which are that:

- a) There must be an identifiable benefit or benefits;
- b) Benefit must be to the public, or section of the public.

Housing for Older People

The Charity owns and manages 124 units of housing accommodation across six sites based in Ealing, which are let to older people who meet the below qualifying criteria: -

- (a) aged 60 years or over;
- (b) resident now and for the past 2 years in the London Borough of Ealing;
- (c) capable of living independently; and,
- (d) of limited means.

A further 8 units are let to general needs residents. The weekly maintenance contribution (i.e. the housing charge for the accommodation) is set in accordance with the Social Housing Regulator's rent formula and there are 6 units let privately because older residents could not be found or they were considered unsuitable for social housing use.

In total the charity owns and manages 138 units of accommodation consisting of 124 for older people across 6 sites, 8 general needs units across 2 sites, all in Ealing (2021: 132 units) and 6 units (2021: 6 units) let on private rents. The weekly maintenance contribution (accommodation charge) is set in accordance with the Social Housing Regulator's rent formula and increases are based on Consumer Price Inflation.

In 2021-22 we housed 9 new residents in our Almshouse accommodation for older people.

During the year we completed refurbishment of kitchens, bathrooms, and replacement of boilers and hot water cylinder in Dean Court, Bowmans Court, Taylor Court and Tawny Close.

New flooring replacement was done at Dean Court and Castlebar Park- allowing residents to enjoy their communal areas.

Delivered Tree Maintenance to several schemes, Bowman & Dean Court, Castlebar park, and Tawny Close

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2022

OBJECTIVES AND ACTIVITIES (Continued)

A resident welfare fund was set up for residents in February 2021 where residents if experiencing financial hardship can apply for financial support through Pathway's website for things like food parcels, support with whitegoods, funeral costs, decoration, etc.

Resident welfare checks carried out with our residents to check on their overall health, wellbeing during lockdown and Covid-19

Allotments

The Charity owns two large allotment sites in Ealing which are let to residents of the borough. A committee of plot-holders manages each of these. The Charity offers concessions for people on a low income whilst others pay the full rent.

Ealing Green

The Charity owns the freehold of a building overlooking Ealing Green and adjacent to the Ealing Broadway Shopping Centre. The building consists of a small parade of 8 shops with 13 apartments above. The flats are all let on long leases, whilst the shops are let on a fixed term of 10 years with various expiry dates.

Grants

Surplus income generated from the above retail activity at Ealing Green funds the Charity's main grants programme in Branches 1 and 2.

Grants are also provided under:

- Branch 3 from an ecclesiastical fund to recipients determined by the Ealing Deanery Synod.
- The Grassroots fund.

The main grants programme covers the Ealing W5, W7 and W13, and the Brentford TW8 postcodes. The grant giving policy contributes to our aims and objectives as it covers a number of criteria so that we consider applications from organisations or projects that:

- Strengthen the local voluntary and community sector
- Aim to alleviate poverty by tackling root causes
- Promote healthy living among disadvantaged groups
- Help disadvantaged people in the community to access local services
- Improve educational and employment opportunities
- Tackle homelessness
- Overcome isolation
- Support victims of domestic violence
- Provide counselling and support services
- Meet the need of disadvantaged people who have or care for those with disabilities
- Promote social cohesion and/or cross-generational activities

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2022

REVIEW OF ACHIEVEMENTS AND PERFORMANCE (continued)

This report covers the activities of Housing Pathways Trust for the year ended 31 March 2022.

Distributive grants

Overall grants awarded by Housing Pathways Trust in 2021-22 amounted to £55,969 (2021: £120,188).

The main Pathways Grants programme is funded from the net rental income derived from our commercial shops at The Green, Ealing, which is split equally between branches 1 (Ealing) and 2 (Brentford).

Our main programme strategy is to fund work which benefits people in communities. We support full cost recovery and will consider giving grants for up to 3 years for organisations that are able to demonstrate that they have monitored and evaluated their work, have learned lessons and refined their approach, and have achieved their stated results. However, we do generally limit our programme to small organisations defined as those with an annual income of less than £100,000 a year.

Main programme recipients from branches 1 and 2 were as follows:

Recipients:	Project	Grant
MindFood	MindFood is an Ealing based charity supports people with mental health issues such as depression, anxiety, and stress to improve their wellbeing through food growing and horticulture. MindFood runs nature-based courses that support people to manage and improve their mental wellbeing. We teach food-growing, gardening and other mindful nature-based activities to help people tackle depression and anxiety.	£4,997
Into the Light	Childhood Abuse Support Project- supported 16 women to improve their emotional wellbeing and tackle isolation by connecting them to other survivors. The project was a two 10-week psychoeducational course for adult survivors of childhood sexual abuse in Ealing. It focused on the impact of sexual abuse in adults.	£3,850
The Log Cabin	The Log Cabin Charity fills the gap in service not offered by special schools in the borough. We run after school clubs, holiday playscheme, weekend clubs and Start2Together for parents. The project supports children with disabilities and/or additional needs from the age of 5-15. A large portion of the children are medically complex and require 1:1 care as well as specialist facilities.	£4,800
Ealing Street Pastors	Ealing Street Pastors provide a vital role on the streets of Ealing in the night-time economy, caring, listening, and helping many young people, helping those with mental health challenges that have gone on to affect their physical and practical situations. We have signposted many people towards services that are able to help them make a positive step in their lives.	£8,000

Housing Pathways Trust

Annual Report of the Trustees

For The Year Ended 31st March 2022

Covid 19- Emergency Grant

Pathways has also launched a Covid-19 Emergency Grant to help support local charities working with vulnerable communities impacted by Covid-19 since the start of the Pandemic. For April 2021 to March 2022, we have paid the grants to the following organisations:

Recipients:	Project	Grant
Ealing Mencap Advice Consortium	The project will cover costs of helping vulnerable residents with disabilities, carers, and parents of young children with special educational needs who have had issues with social services, day services, residential homes, care agencies and care assessments.	£1,500
Fellowship Educational Society	Following the pandemic, the project delivers a digital channel to academically and emotionally support over 50 disadvantaged migrant families in West London through online guided learning activities and wellbeing sessions as well as providing consultancy, interpreting, and befriending support over the phone.	£1,500
Headway West London	The Project focus is on supporting brain injury survivors within their local community during their rehabilitation process, enabling them to develop self-management skills to cope with the often-catastrophic changes to their lives. COVID19 has exacerbated many of the problems survivors and their families face and many have been in the extremely vulnerable category. Some faced homelessness and many carers themselves became traumatised. We are providing vital virtual support via the phone, What's App, Zoom, newsletters, emails, social media and from our website.	£1,500
Next Step Foundation	The programme was set up to support students from disadvantaged backgrounds through the process of applying to selective UK universities It costs £500 for a student to participate on this programme which runs for 9 months. This includes skills are rarely covered by these pupils' standard curriculum. Such as in person tutoring, extension lectures, personal statement help and interview prep.	£1,000
Young Roots	Young Roots works with young refugees and asylum seekers aged 11-25 in London, supporting them to improve their wellbeing and mental health, and to fulfil their potential. We work with young people through 1:1 intensive casework support to resolve a range of complex and often critical issues; weekly sporting and youth activities at our Advice & Support Hubs and weekly youth clubs; and access to specialist legal and therapeutic support.	£1,500
Woman's Trust	The project was used for 22 person-centred counselling sessions for women affected by domestic abuse (DA) from your area of benefit in Ealing, provided by DA specialist counsellors Women access an initial session and then up to 18 weekly sessions. Counsellors help women explore, understand and recover from their experiences.	£1,500
	Derecognition of previously accrued grants	(£15,000)
	Total	£15,147

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2022

REVIEW OF ACHIEVEMENTS AND PERFORMANCE (continued)

Distributive grants (continued)

Branch 3 grants are administered by the Ealing Deanery Synod, who handle all grant administration including seeking and assessing applications, deciding on grant recipients, carrying out all appropriate monitoring, and providing subsequent grant evaluations for scrutiny purposes. In 2020-21 the Synod requested that the grant award is suspended due to covid-19 pandemic but rolled over to 2022 grant award and in 2022 £40,821 was awarded. Ealing Deanery Synod still had £2,000 in our Mission Fund which had been returned unused in a previous year. Whilst each of the grants is small in value, there is real and very beneficial impact on the churches involved and their level of outreach.

Church Community	Project	Amount
Christ the Saviour	Provide and co-ordinate series of workshops for church members to engage with and improve racial awareness and interaction	£2,000
St John's, West Ealing	Funding activities for a midweek elders support group	£2,000
Living Waters Arabic Church	Developing the work of the LWAC radio app	£2,000
St Barnabas, Pitshanger	Developing marketing material	£2,000
St Martin's, West Acton	Projector	£1,600
Holy Cross, Greenford	New Noticeboards	£2,000
St Thomas's, Hanwell	New Noticeboard	£2,000
Southall Parish	Develop old church building as community ministry.	£2,000
Southall Group Ministry	Develop a prayer labyrinth	£1,985
St Nicholas, Perivale	Delivery of Invitation pack Presence at Perivale Festival Open gardens and use creatively	£2,000
The Ascension, Hanger Hill	Live streaming tech for broadcasting	£2,000
St Peter's, Ealing	Live streaming tech	£2,000
St Mary's, Ealing	Live streaming and processing equipment developing digital services	£1,500

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2022

REVIEW OF ACHIEVEMENTS AND PERFORMANCE (continued)

Distributive grants (continued)

Church Community	Project	Amount
St Stephen's, Ealing	Live streaming tech	£2,000
St Dunstan's, East Acton	Live streaming equipment	£2,000
Oak Tree Fellowship	Updating live streaming equipment	£1,916
All Hallows, Greenford	Live streaming equipment	£1,820
St Mary's, Northolt	Live streaming equipment	£2,000
St Joseph the Worker	Live streaming equipment	£2,000
St Hugh's, Northolt	Live streaming equipment	£2,000
St Mary, Norwood Green	New noticeboard and live streaming equipment	£2,000
St George's, Southall	Streaming equipment	£2,000
	Return of unspent funds	(£2,000)
	Total	£40,821

Commercial Property

It's been a challenging year for our Commercial Lets where 100% of the businesses have been impacted by Covid-19 and many unable to open until July 2021. In line with government legislation, it was important for Pathways to work with its commercial tenants to enable the businesses to remain financially sustainable. During Covid-19, Pathways Trustees agreed that they would support their Commercial tenants and based on individual assessments, Pathways provided financial support for the Commercial lets between March 2020 and June 2021, to the total value of £53,650.

Allotments

Demand for our allotments remains high and over-subscribed. The day-to-day responsibility for allotment management is in the hands of plot-holders committees, the Ealing Dean Allotment Society, and the Haslemere Allotments Association, under a management agreement signed between the Charity and each committee. The allotment committees are paid a management fee to fund day-to-day maintenance and administration and the Charity pays for major works. The arrangements are working very well, and we are appreciative of the efforts of the two committees.

The Allotments has proved a real sanctuary for plot holders. the allotments provided a vital open space where people could get fresh air, exercise and, of course, grow their own healthy fruit and vegetables. The allotment site offered a refuge where you could talk to your plot neighbours and friends. Many plot holders said it was a 'lifeline' for both their physical and mental health.

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2022

VALUE FOR MONEY (VFM)

Our aim is to deliver services of the right quality economically, efficiently, and effectively, thus meeting the needs of our residents and all other stakeholders. Housing Pathways is committed to continuously improving our VFM for our residents in all aspects of our business.

Our VFM reporting and analysis is now focused on the seven key metrics which are used for comparison across the sector. The peer group median used comprised 34 smaller housing associations primarily providing Housing for Older People accommodation nationally and of which 20 members' data was included in the calculation.

Value for Money Key Metrics

	HfOP peer group 2021-22	Housing Pathways (average)	Housing Pathways Trust
1. Reinvestment % Considers the investment in properties (existing stock as well as new supply) as a percentage of the value of total properties held.	2.45%	2.02%	1.07%
2. New Supply Delivered % The number of new social housing and non-social housing homes that have been acquired or developed in the year as a proportion of total social housing and non-social housing homes owned at period end. A. New supply delivered (Social housing homes) B. New supply delivered (Non-social housing homes)	0% 0%	0% 0%	0% 0%
3. Gearing % Assesses how much of the adjusted assets are made up of debt and the degree of dependence on debt finance.	3%	(4.63) %	2.68%
4. Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs Included (EBITDA MRI) Interest Cover %. A key indicator for liquidity and investment capacity. Measures the level of surplus generated compared to interest payable	381%	1,566%	1,293%
5. Social Housing Cost Per Unit The headline social housing cost per unit as defined by the Regulator	£5,792	£6,243	£5,675
6. Operating Margin% Demonstrates the profitability of operating assets before exceptional expenses are taken into account. Increasing margins are one way to improve the financial efficiency of a business. A. Operating Margin (social housing lettings only) B. Operating Margin (overall) after adjusting for impairment and merger costs	9% 7.95%	5.41% 17.08%	9.16% 22.84%
7. ROCE % Compares the operating surplus to total assets less current liabilities. An assessment of the efficient investment of capital resources.	0.80%	1.28%	1.81%

Housing Pathways Trust

Annual Report of The Trustees

For The Year Ended 31st March 2022

VALUE FOR MONEY (continued)

Social Housing Cost per Unit

	HfOP peer group 2021-22	Housing Pathways (average)	Housing Pathways Trust
Cost per home			
Management costs		2,494	2,553
Service charge costs		764	796
Routine maintenance cost		2,031	1,787
Planned maintenance		-	-
Major repairs expenditure		954	539
Other social housing costs		-	-
Total	£5,792	£6,243	£5,675

Some of the properties within the charity have undergone some planned maintenance work which aim to future proof our homes and ensure continued compliance with regulatory standards.

Currently, the charity is planning to carry out a planned work programme targeting schemes where works are needed immediately after which an Asset management programme is put in place for the charity. Upon completion of our planned maintenance programme and major repairs works we expect there to be significant cost reductions in future routine maintenance expenditure.

Return On Capital Employed

Proactive management of our assets through the planned maintenance programme was reduced in the year due to covid-19 pandemic. We have had an improved return on investment during the financial year, this will continued as we transition into the new strategic plan and focus of the organisation.

Key Performance Indicators (KPIs)

As members of the Housing for Older People benchmarking group, run by Acuity, which comprises about 34 similarly sized housing providers. We have access to a range of KPIs, both for the immediate group and national comparisons with Housemark, enabling us to compare performance and share good practice to drive improvements and reporting to stakeholders. The KPIs cover areas of organizational performance including resident satisfaction, Value for Money, repairs, lettings, voids, and compliance but they also provide benchmarking information on areas such as average working days lost due to staff sickness days.

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2022

VALUE FOR MONEY (continued)**Key Performance Indicators**

	HfOP 2021-22	Housing Pathways 2021-22	Housing Pathways 2020-21	Housing Pathways 2019-20
Current resident annual WMC collection rate	99.82%	104%	-	103.2%
Current resident arrears as a % of the annual WMC	0.85%	2%	2.31%	2.73%
Homes with a valid Gas Safety Certificate %	-	100%	100%	100%
All reactive repairs completed within target time %	98.2%	72%	81%	85%
Emergency repairs completed within target time %	100%	89%	78%	79%
Urgent repairs completed within target time %	96.9%	70%	78%	82%
Routine repairs completed within target time %	96.2%	71%	87%	93%

Information Communication Technology (ICT)

We have upgraded our IT equipment and have out in place plans to modernise software to ensure our systems are fit for purpose. We updated our website to make it more user friendly for our residents and stakeholders. In order to continuously improve services and streamline key processes, we will continue to improve and embrace the best of new and emerging digital technology.

COMPLIANCE WITH THE 2020 NHF CODE OF CONDUCT

Housing Pathways Trust adheres to the National Housing Federation 2020 code of Governance, except where specified below.

The code includes a provision that directors should serve no more than nine years in total, though in that regard Housing Pathway's Articles take precedence over the code in relation to the Nominated and Ex-officio directors. Housing Pathways, the Corporate Trustee, is compliant regarding directors' tenure and has appointed a number of new directors since 2018, based on needs identified through a skills audit. The board not only includes people from diverse backgrounds and with diverse attributes, their membership helps to ensure healthy debate and challenge from a range of perspectives, the board also has a majority of newer members.

In April 2021, The Board of Directors agreed to adopt the 2020 NHF code of Governance, continuous work will be done to ensure compliance with the 2020 code of Governance.

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2022

COMPLIANCE WITH THE 2020 NHF CODE OF CONDUCT (continued)

Our Asset & Liabilities register comprises details of our assets including investments, debtors, bank accounts, owned Housing properties including title and charges, property type, Weekly Maintenance Contributions by property, details of private lets and rents with cross references to the location of component values of housing stock. Management agreements and Ealing Green commercial property details are also cross referenced to the location of lease files held. Liabilities on the register include loans; planned maintenance and major repair contracts; leases; pension deficit information, insurance and claims information, Pay As You Earn and Value Added Tax obligations.

The Board continue to monitor the evolving landscape particularly in light of high cost of living and high inflation and to ensure the stress testing of business plans with changing scenarios.

FINANCIAL REVIEW

The Charity recorded a net movement in funds of £1,301,976 (2021: £551,716), this is due to income received from release of covenant on Dean Gardens £75,000, movement of fair value of investment properties increased by £742,000 and favourable movement on the value of investments to £138,052 (2021: £617,973).

In the year the Charity made a surplus on Social Housing Lettings of £90,072 (2021: £31,842). Non-social housing activities including allotments, commercial properties and other income was £415,805 (2021: £356,894) and income from fixed asset investments amounted to £97,916 (2021: £97,778). Grants payable and grass roots management costs were £75,549 (2021: £145,399). After interest, investment fees and movement in the fair value of the investment properties and fixed asset investments, the charity ended the year with a net movement in funds of £1,301,976 (2021: £551,716).

Reserves Policy and Reserves

Designated reserves are maintained in accordance with guidance issued by the National Almshouse Association for the cyclical maintenance and repair of the properties. Details of the designated reserves can be found in notes 18 and 19. The Trustees continue to review the Charity's reserves.

Total Funds at 31st March 2022 of £16,048,745 (2021: £14,195,769) comprising Restricted Funds of £1,886,998 (2021: £1,911,091), Permanent Endowment Funds of £9,376,403 (2021: £8,628,707) and Unrestricted Funds of £4,785,344 (2021: £4,206,971) including Designated Funds of £1,698,188 (2021: £1,616,851) including a grant reserve of £269,073, and maintenance reserves totaling £1,429,115.

The level of maintenance reserves is considered adequate to cover any such costs that are likely to be charged to the revenue account. General funds amount to £3,087,156 (2021: £2,590,120) and are in place to ensure ongoing trading in the event of any material loss of income, and as a result of the need to build up liquidity to fund future capital costs of Planned Maintenance and expansion of our housing stock. After making allowance for tangible fixed assets used for the charity's activities, reserves amounted to £1,651,154 (2021: £1,106,779).

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2022

FINANCIAL REVIEW (continued)**Investment Policy**

The investment policy lodged with Investec is to invest prudently in a broad range of fixed interest securities and equities, which are quoted on a Registered Investment Exchange, and unit trusts, within an agreed range of percentage holdings for each class of investment. A Balanced objective has been adopted, seeking long term real return on capital as well as income. Companies engaging in or earning more than 10% of their profits from "home collected credit" represent the only ethical restriction in force.

The charity's portfolios with Investec achieved gross returns for the year of 5.14% and 4.49% before fees (4.44% and 3.84% after fees) compared to the benchmark return of 10.27% based on the investment objective

The charity also has investments in the M&G Charity Multi Asset Fund and M&G Equities Investment Funds which both seek a combined income and capital real return. The next annual review of the investment providers and investment product is planned to be undertaken by December 2022.

Risk Management

The major risks to which the Almshouse charities are exposed, as identified by the Trustees, are regularly reviewed. In addition, the Trustees has put in place systems, policies, and procedures to mitigate these risks once they are identified and assessed. All reports presented to Board and sub-committees include an executive summary of risk which cross refers to the risks identified in the key risks register.

The Key risks and uncertainties facing the charity cover several areas of operation and are controlled using procedures and sub-committee overview identifies further mitigations and the responsible manager. Key risk includes Health & Safety for residents and staff, the long-term impact of the Covid-19 pandemic, increased energy cost, high cost of living and high inflation rate e.g. loss of income, residents' well-being. Other risks identified are breach of legislation or covenants, compliance failure, a build-up of arrears and misappropriation of funds through fraud.

The new regulation and legislation in response to the Grenfell fire will lead to further legislation which may well be costly for an organisation of Housing Pathways' size.

Fraud

The Board has a policy on fraud covering prevention, detection and reporting of fraud and the recovery of assets. The Chair and Vice Chair are notified immediately of any attempted fraud.

Anti-bribery policy statement

We seek to maintain the highest standards of ethics and integrity in the way we conduct our business. We recognise that bribery and corruption in all its forms, is illegal and unacceptable. Our bribery policy statement has been integrated into our code of conduct and our gifts and hospitality policy, adopted by the Board, signed by the Chairman and Chief Executive. We expect our business partners to adopt a similar approach to bribery or corruption.

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2022

FINANCIAL REVIEW (continued)

FUTURE PLANS

Our key priorities are to:

- Improve customer satisfaction and deliver value for money for our residents
- Carry out planned maintenance in our alms-houses in accordance with our stock condition survey and planned maintenance programme.
- To reduce our cost base and seek better Value for Money, which is seen as a sensible approach in what are generally uncertain economic times.

After the charity merger that takes place on 1st April 2022, the charity is in a much stronger position to reinvest in maintenance and new facilities.

The Board is in the process defining its asset management strategy alongside its new business plan and asset management plan. We will continue to reduce our cost base and improve Value for Money in accordance with the standard whilst driving and improving performance against the seven key metrics year on year.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities in England and Wales and Registered Social Housing legislation requires the Trustee to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity at the year end and of the surplus or deficit of the charity for that period. In preparing those financial statements at the year end, the Trustee should follow best practice and:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue to operate.

The Trustee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Social Housing 2015. The Trustee is responsible for taking reasonable steps to safeguard the assets of the Charity and for the prevention and detection of fraud and other irregularities.

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2022

AUDITORS

Knox Cropper LLP have expressed their willingness to continue in office and a resolution for their reappointment will be proposed at the forthcoming Annual General Meeting.

The Board of Housing Pathways would like to record their particular appreciation of the assistance provided by Matthew Elkins and his colleagues at Knox Cropper.

TRUSTEES' STATEMENT ON INTERNAL FINANCIAL CONTROLS

The Trustee acknowledges its ultimate responsibility for ensuring that Housing Pathways Trust has in place a system of controls that is appropriate to the various business environments in which it operates.

These controls are designed to give reasonable assurance with respect to:

- (a) the reliability of financial information used within the charity or for publication
- (b) the maintenance of proper accounting records, and
- (c) the safeguard of assets against unauthorized use or disposition

It is the Trustee's responsibility to establish and maintain systems of internal financial control. Such systems can only provide reasonable but not absolute assurance against material financial misstatement or loss. Key elements include ensuring that:

- (a) formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorized use of the charity's assets.
- (b) experienced and suitably qualified staff take responsibility for important business functions.
- (c) forecasts and budgets are prepared which allow the Trustee and management to monitor the key business risks and financial objectives and progress towards financial plans set for the year and medium term; regular management accounts are prepared promptly; providing relevant, reliable and up-to-date financial and other information and significant variance from budgets are investigated as appropriate.
- (d) all significant new initiatives, major commitments and investment projects are subject to formal authorization procedures, through relevant sub-committees comprising the Trustee and others.
- (e) the Trustee of Housing Pathways reviews reports from management and from external auditors to provide reasonable assurance that control procedures are in place and are being followed. This includes a general review of the major risks facing the charity.
- (f) the Trustee has reviewed the effectiveness of the system of internal financial controls in existence in the charity for the year ended 31st March 2021 and up to the date of this report. No weaknesses were found in internal financial controls which require disclosure in the financial statements or in the auditors' report in the financial statements.

Housing Pathways Trust
Annual Report of the Trustees
For The Year Ended 31st March 2022

CHAIRMAN'S REPORT

Our homes are always important to us. They are the place we should be able to retreat to either at the end of a busy day or simply from all that is going on around us. Our hope and aim at Pathways is to provide good housing that each resident can call home.

The last few years have been challenging for so many people and Pathways have been and are, committed, to providing those secure, safe, and comfortable homes for our residents.

One of the best ways that we can enable this to happen is through a good staff team and despite seeing some great staff move on we have ended the year with perhaps the strongest team we have had for a long time. Recently, I was delighted to read some feedback from a resident who was expressing her gratitude for the improvements in her flat and the team that were now looking after her.

Our Grants committee continue to give grants to help those in need in the Ealing area and over the last year we have been able to pass on £55,968. These grants are all given to good causes and to know that Pathways is supporting people in need all adds to the special family that we have in Pathways.

I am grateful for our strong staff team and a stable and skilled Board whose members offer their services to help make us a secure, safe, and forward-looking trust.

Approved by the Board of Directors at its meeting on 15 September 2022 and signed on its behalf by:



Mark Melluish

Chair of Housing Pathways

Housing Pathways Trust**Independent Auditor's Report to the Trustees of Housing Pathways Trust****For The Year Ended 31st March 2022****Opinion**

We have audited the financial statements of Housing Pathways Trust (the 'charity') for the year ended 31st March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st March 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011, the Housing and Regeneration Act 2008, and the Accounting Direction for Private Registered Providers of Social Housing 2019.

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 Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company'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 trustee is responsible for the other information.

Our opinion on the financial statements does not cover the other information and 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.

Housing Pathways Trust

Independent Auditor's Report to the Trustees of Housing Pathways Trust

For The Year Ended 31st March 2022

Matters on which we are required to report by exception

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

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

Responsibilities of the trustee

As explained more fully in the trustee's responsibilities statement set out on page 15, the trustee is 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 trustee is 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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant are the Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Housing and Regeneration Act 2008 and the Accounting Direction for Social Housing in England 2019.
- The Charity is required to comply with charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.
- We understood how the charity is complying with those frameworks via communication with those charged with governance, together with the review of the charity's documented policies and procedures.
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements. These included risks associated with Revenue Recognition, Management Override of Controls, and the increased incentive and pressure to commit fraud due to the Covid-19 environment, which were discussed and agreed by the audit team.

Housing Pathways Trust**Independent Auditor's Report to the Trustees of Housing Pathways Trust****For The Year Ended 31st March 2022****Auditor's responsibilities for the audit of the financial statements (continued)**

- Our approach included agreeing the charity's recognition of income to the terms of the underlying grant agreements and associated correspondence, the review of journal entries processed in the accounting records and the investigation of significant and unusual transactions identified from our review of the accounting records.
- Our approach was also to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the directors with respect to the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the charity.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

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



Knox Cropper LLP
Chartered Accountants and Statutory Auditors
65 Leadenhall Street
London EC3A 2AD

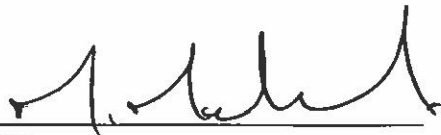
15/9 2022

Knox Cropper LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Housing Pathways Trust**Balance Sheet****As At 31st March 2022**

	Notes	2022		2021	
		£	£	£	£
Fixed Assets					
Housing Properties	10		6,662,655		6,803,292
Investment Properties	11		4,790,000		4,048,000
Other Fixed Assets	12		1,382,724		1,401,885
Social Investments	14		-		-
Investments	15		3,851,194		3,667,656
			<u>16,686,573</u>		<u>15,920,833</u>
Current Assets					
Trade and Other Debtors	16	141,650		221,905	
Cash and Cash Equivalents		<u>1,009,516</u>		<u>636,441</u>	
		1,151,166		858,346	
Creditors: Amounts falling due within one year	17	<u>(306,073)</u>		<u>(372,415)</u>	
Net Current Assets			845,093		485,931
Creditors: Amounts falling due after more than one year	18		(1,325,921)		(1,407,995)
Provisions for liabilities	22		<u>(157,000)</u>		<u>(252,000)</u>
Net Assets			<u>£16,048,745</u>		<u>£14,746,769</u>
Funds					
Permanent Endowment	19		9,376,403		8,628,707
Restricted Funds	19		1,886,998		1,911,091
Unrestricted Funds	19		4,785,344		4,206,971
Total Funds			<u>£16,048,745</u>		<u>£14,746,769</u>

The financial statements were approved by the Trustees on 15 September 2022 and signed on its behalf by:


Trustee

Mark Melliush (Chair)


Trustee

Matthew Doyle

Housing Pathways Trust
Statement Of Cash Flows
For The Year Ended 31st March 2022

	Notes	2022 £	2021 £
Net Cash generated from Operating Activities	A	498,960	215,730
Cash Flows from Investing Activities			
Capitalised works to existing housing properties		(71,191)	(42,790)
Purchase of other fixed assets		(540)	-
Repayments of Social Investments		1,743	436
Proceeds from sale of investments		725,349	328,039
Additions to investments		(708,104)	(494,651)
Investment management fees		(22,012)	(21,437)
Investment income and bank interest received		96,632	87,009
Net Cash generated from/(used in) Investing Activities		<u>21,877</u>	<u>(143,394)</u>
Cash Flows from Financing Activities			
Interest paid		(32,988)	(33,436)
Repayment of Loans		(59,405)	(58,318)
Net Cash (used in)/generated from Financing Activities		<u>(92,393)</u>	<u>(91,754)</u>
Net Change in Cash and Cash Equivalents		428,444	(19,418)
Cash and Cash Equivalents at the beginning of the year		<u>737,931</u>	<u>757,349</u>
Cash and Cash Equivalents at the end of the year		<u>£1,166,375</u>	<u>£737,931</u>
A Cash Flows from Operating Activities			
Net Income/(Expenditure) for the year		1,235,976	746,716
Depreciation		222,633	221,345
Income from Investments		(97,916)	(97,778)
Interest Payable		37,988	35,436
Investment management fees		22,012	21,437
Decrease/(Increase) in Debtors		74,177	(32,476)
Increase/(Decrease) in Creditors		(89,011)	(22,358)
(Decrease)/Increase in Pension Provision		(34,000)	(37,000)
Disposal of fixed assets		8,896	(1,183)
Reversal of impairment of Social Investments		(1,743)	(436)
(Gains)/Losses on Investments		(138,052)	(617,973)
Revaluation of investment property		(742,000)	-
		<u>£498,960</u>	<u>£215,730</u>
B Cash and Cash Equivalents			
Bank Balances		1,009,516	636,441
Investment Managers Cash		156,859	101,490
		<u>£1,166,375</u>	<u>£737,931</u>

Housing Pathways Trust
Statement Of Cash Flows
For The Year Ended 31st March 2022

Reconciliation of Net Debt

	At 01.04.21	Cash Flows	At 31.03.22
	£	£	£
Cash and Cash equivalents	737,931	428,444	1,166,375
Loans falling due within one year	(54,000)	(3,639)	(57,639)
Loans falling due after more than one year	(1,337,089)	63,044	(1,274,045)
Total	<u>£(653,158)</u>	<u>£487,849</u>	<u>£(165,309)</u>

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2022

1. **Accounting Policies**

(a) **Status**

Housing Pathways Trust is an unincorporated charity registered in England and Wales, registration number 211053. The principal office address is disclosed on page 1 of the annual report. The presentational currency is the Pound Sterling (£).

(b) **Basis of Accounting and Assessment of Going Concern:**

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities, in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (second edition issued in October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The accounts comply with the Charities Act 2011, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing in England 2019. The accounts are prepared on the historical cost basis of accounting unless otherwise stated in the relevant accounting policy.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) Second Edition issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Charity constitutes a public benefit entity as defined by FRS 102. The Trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern.

(c) **Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Income from Almshouse Accommodation represents weekly maintenance and service contributions receivable from residents and is recognised on an accruals basis.

Investment income is earned through holding assets for investment purposes such as shares and property and includes dividends and interest and rents and service charges from investment properties. Interest income is recognised using the effective interest method and dividend income is recognised as the Charity's right to receive payment is established. The Charity considers it is not practical to identify investment management costs incurred within collective investment schemes managed by M&G and CCLA with reasonable accuracy and thus the investment income is reported net of these costs. Rental income is recognised straight line over the term of the lease and service charges are recognised on an accruals basis.

Social Housing Capital grants are recognised only when receivable, or in the period in which a scheme is completed where the amount of the grant has been determined. Grants are reflected in the Fixed Asset Fund.

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2022

1. **Accounting Policies (continued)**

(d) **Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

(e) **Housing Properties**

Housing properties are measured at cost less accumulated depreciation and impairment losses. For housing properties acquired before 1st April 1978, market value as at that date is deemed to be cost. All subsequent acquisitions of housing properties or improvements to existing stock are measured at cost.

The cost of completed housing properties (net of the cost of land) is depreciated over the useful life of the properties. Properties are accounted for on a component cost basis with each component being depreciated over its estimated economic life. The principal components identified, and the depreciation rate applied to each component are set out below:

Land	-	not depreciated
Main fabric	-	Over 70 years
Roof structure and covering	-	Over 70 years
Windows & external doors	-	Over 30 years
Gas boilers	-	Over 15 years
Kitchen	-	Over 20 years
Bathrooms/WCs	-	Over 30 years
Mechanical systems	-	Over 30 years
Electrics	-	Over 40 years
Fire alarms/warden call	-	Over 15 years

(f) **Investment Properties**

The Ealing Green properties are measured at fair value at the balance sheet date. These properties are held for rental and are reflected under Investment Properties, as distinct from Social Housing Properties. In accordance with FRS102, no depreciation is charged on the investment properties.

(g) **Other Fixed Assets**

Allotment land is measured at cost, being previous GAAP revaluations of £390,000 for Northfield Allotment and £355,000 for Haslemere Allotment taken as deemed cost on transition to FRS102. Improvements to the allotment sites are measured at cost less accumulated depreciation. Fixtures, fittings, and equipment are stated at cost less accumulated depreciation. Office property is held for the use of the charity and the other charities of which the trustee, Housing Pathways, is also trustee and is measured at cost less accumulated depreciation.

Depreciation is charged in a straight line basis over the expected useful lives of the assets, at the following annual rates:

- 2% - Allotment Fencing
- 10% - Furniture & Fittings
- 33¼% - Computer Equipment

The Office Property is depreciated on a component basis using the same rates as applied to the Housing Properties.

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2022

1. Accounting Policies (continued)

(h) Investments

Fixed asset investments are a form of basic financial instrument are initially recognised at their transaction value and subsequently measured at their fair value using the closing quoted market price or the share of the Net Asset Value of the fund (if unlisted). All gains and losses are taken to the Statement of Financial Activities as they arise. The Statement of Financial Activities includes all net gains and losses arising on revaluation and disposals throughout the year.

(i) Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(j) Cash at bank and in hand

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

(k) Creditors

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

(l) Financial Instruments

The Charity only holds basic financial instruments. The financial assets and financial liabilities of the Charity are as follows:

Debtors – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 16. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Liabilities – trade creditors and bank loans are classified as financial instruments and are measured at amortised cost as detailed in Notes 17 & 18.

(m) Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustee for a specific purpose. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for a specific purpose. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Permanent endowment funds are restricted capital funds where there is no power to convert the original capital to income. Expendable endowment funds represent sums which the Trustees intend to retain intact but can if necessary be used in furtherance of the Charity objectives subject to any restrictions imposed by the donor.

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2022

1. Accounting Policies (continued)

(n) Taxation

As a non-profit making body, the charity believes that it is exempt from all forms of taxation other than value added tax (VAT). The charity partially makes taxable supplies of services and is only able to recover input tax, where this is charged, on items of expenditure relating to these supplies.

(o) Pension Costs

The Charity participates in a multi-employer defined benefit pension scheme providing benefits based on final pensionable pay. This is a funded scheme, and the assets are held separately from those of the charity in separate trustee administered funds.

Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities.

The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/expenditure are the current service costs and gains and losses on settlements and curtailments together with any change in the net defined benefit liability arising from employee service. They are included as part of staff costs. Net interest on the defined benefit liability is shown as a cost in the support cost. The remeasurement of the defined benefit liability is also reported in the statement of financial activities within other gains and losses and is shown in more detail in Note 21 to the accounts.

(p) Significant Management Judgements and Estimation Uncertainties

The following are the critical judgements and key sources of estimation uncertainty that the Board has made in the process of applying the charity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Fair value of Investment Properties

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in the Statement of Financial Activities. The Trustee assesses the fair value of the investment properties based on recent market values. In determining the fair value on this basis, the valuation remains sensitive to fluctuations in the property market.

Identification of housing property components

The charity accounts for its expenditure on housing properties using component accounting. Under component accounting, the housing property is divided into those major components which are considered to have substantially different useful economic lives. Judgement is used in allocating property costs between components (land, structure, kitchens, bathrooms etc) and in determining the useful economic lives of each component.

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

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based on the expected utility of the assets. Uncertainties in these estimates relate to changes to decent homes standard requiring frequent replacement of components.

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2022

1. Accounting Policies (continued)

Bad debt provision

A full line by line review of trade debtors is carried out at the end of each month. Whilst every attempt is made to ensure that the bad debt provisions are as accurate as possible, there remains a risk that the provisions do not match the level of debts which ultimately prove to be uncollectible.

Defined Benefit Pension Scheme

As stated in Note 22, the Charity participates in a multi-employer defined benefit pension scheme. The value of the Charity's share of the net deficit in the scheme is sensitive to fluctuations in bond yields and other actuarial assumptions as detailed in Note 22.

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2022

2. Income from Charitable Activities

	2022	2021
	£	£
<i>Almshouse Accommodation</i>		
Maintenance contributions	850,213	844,819
Services contributions	121,506	133,048
	<u>971,719</u>	<u>977,867</u>
<i>Allotments</i>		
Allotment rents	25,960	22,644
	<u>£997,679</u>	<u>£1,000,511</u>

3. Income from Other Trading Activities

Private Lets	<u>£77,135</u>	<u>£77,212</u>
--------------	----------------	----------------

Private let income represents the income derived from certain properties within the Charity's almshouse estate which are temporarily let on short-term licenses at market rates.

4. Income from Investments

<i>Investment Property</i>		
Rent receivable	240,350	218,194
Ground rent receivable	3,950	3,950
Service charges receivable	68,410	34,894
	<u>312,710</u>	<u>257,038</u>
Investment Income & Bank Interest	97,916	97,778
	<u>£410,626</u>	<u>£354,816</u>

5. Raising Funds

	2022	2021
	£	£
Investment management fees	22,012	21,437
<i>Investment property costs</i>		
Management & support costs	50,895	53,199
Maintenance	18,022	28,749
Insurance	18,218	17,332
Section 20 works	36,214	-
Professional fees	15,915	-
Bad debts	43,821	58,479
	<u>£205,097</u>	<u>£179,196</u>

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2022

6. Charitable Activities

	2022	2021
	£	£
<i>Almshouse Accommodation</i>		
Management & support costs	337,004	357,503
Services	105,031	127,174
Maintenance	235,898	260,887
Depreciation	202,932	202,518
Disposals	(1,103)	(1,183)
Bad debts	1,885	-
Interest payable	19,535	19,845
	<u>901,182</u>	<u>966,744</u>
<i>Allotments</i>		
Management	8,100	9,415
Depreciation	1,194	1,194
Maintenance	1,738	-
Support costs	11,656	11,848
	<u>22,688</u>	<u>22,457</u>
<i>Grant-making</i>		
Grants awarded to institutions	55,969	120,188
Grants officer costs	10,082	14,222
Reversal of impairment of concessionary loan	(1,743)	(436)
Support costs	11,241	11,425
	<u>75,549</u>	<u>145,399</u>
	<u>£1,018,916</u>	<u>£1,134,600</u>

A breakdown of the institutions which were awarded grants during the year can be found in the Report of the Trustees.

7. Support Costs

	2022	2021
	£	£
Staff costs	244,254	278,659
Administration	93,303	88,739
Depreciation of office property	17,633	17,634
Professional fees	4,846	(5,943)
Bank charges and sundries	2,490	602
Loan interest	13,453	13,591
Pension costs and interest	11,697	4,959
Irrecoverable VAT	13,640	22,462
Governance costs	9,480	9,000
	<u>£410,796</u>	<u>£429,703</u>

Included within Governance Costs is auditor's remuneration for the audit of the financial statements amounting to £9,480 (2021: £9,000). Excluding VAT these amounts are £7,900 and £Nil (2021: £7,500).

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2022

8. Staff Costs

All employees are jointly employed by Housing Pathways and the charities of which it is trustee, and their costs are recharged across the charities on a set basis reviewed annually. The proportion of staff costs charged to the Charity is as follows:

	2022	2021
	£	£
Wages and salaries	206,243	205,486
Social security costs	18,567	17,707
Pension costs	11,237	9,008
Redundancy	9,619	30,862
Off-payroll contractors	8,670	26,506
	<u>£254,336</u>	<u>£289,569</u>

The average weekly numbers of full-time equivalent employees during the year were 10 (2021: 11) and the average number of employees was 10 (2021: 11). The proportion of remuneration payable to key management personnel for their services to the Charity amounted to £78,499 (2021: £120,485).

The number of staff whose total remuneration payable by the group fell in the band £60,000 to £70,000 was nil (2021: nil), in the band £70,000 to £80,000 was nil (2021: nil), in the band £80,000 to £90,000 was nil (2021: nil), and in the band £90,000 to £100,000 was nil (2021: one).

9. Social Housing Lettings – Sheltered Housing

Maintenance contributions	850,213	844,819
Service charges receivable	<u>121,506</u>	<u>133,048</u>
Turnover from Social Housing Letting	<u>971,719</u>	<u>977,867</u>
Management	337,004	357,503
Services	105,031	127,174
Routine and Cyclical Maintenance	235,898	260,887
Property Depreciation	202,932	201,644
Bad debts	1,885	-
Operating costs of Social Housing Lettings	<u>(882,750)</u>	<u>(947,208)</u>
Gain/(Loss) on replacement of components	1,103	1,183
Operating surplus/(deficit) on Social Housing Lettings	<u>£90,072</u>	<u>£31,842</u>
Void Losses	<u>£5,539</u>	<u>£15,926</u>

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2022

10. **Fixed Assets Housing Properties**

	2022 Total £	2021 Total £
Cost		
As at 1st April 2021	8,826,445	8,790,835
Works to existing properties	71,191	42,790
Disposals	<u>(19,863)</u>	<u>(7,180)</u>
As at 31st March 2022	<u>8,877,773</u>	<u>8,826,445</u>
Depreciation		
As at 1st April 2021	2,023,153	1,829,872
Charge for the year	202,932	201,644
Disposals	<u>(10,967)</u>	<u>(8,363)</u>
As at 31st March 2022	<u>1,215,118</u>	<u>2,023,153</u>
Net Book Value at 31st March 2022	<u>£6,662,655</u>	<u>£6,803,292</u>

All Properties are Freehold Properties except for two properties held on long leaseholds (cost £362,711 accumulated depreciation £57,343).

11. **Investment Properties**

	Ealing Green £	Total £
Fair Value		
As at 1st April 2021	4,048,000	4,048,000
Additions	-	-
Movement in fair value	742,000	742,000
As at 31st March 2022	<u>4,790,000</u>	<u>4,790,000</u>

The Investment properties were valued by Willmotts at £4,790,000 as at 9th May 2022.

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2022

12. **Other Fixed Assets**

	Allotments	Fixtures, Fittings & Equipment	Office	Total
	£	£	£	£
Cost				
As at 1st April 2021	798,881	8,732	679,846	1,487,459
Additions	-	540	-	540
Disposals	-	-	-	-
As at 31st March 2022	<u>798,881</u>	<u>9,272</u>	<u>679,846</u>	<u>1,487,999</u>
Depreciation				
As at 1st April 2021	9,980	5,055	70,539	85,574
On disposals	-	-	-	-
Charge for the year	1,194	874	17,633	19,701
As at 31st March 2022	<u>11,174</u>	<u>5,929</u>	<u>88,172</u>	<u>105,275</u>
Net Book Value				
At 31st March 2022	<u>£787,707</u>	<u>£3,343</u>	<u>£591,674</u>	<u>£1,382,724</u>
At 31st March 2021	<u>£788,901</u>	<u>£3,677</u>	<u>£609,307</u>	<u>£1,401,885</u>

13. **Capital Grants**

	2022	2021
	£	£
Aggregate amount received		
At 1st April 2021 and 31st March 2022	<u>£2,519,492</u>	<u>£2,519,492</u>
Released to Statement of Financial Activities		
At 1st April 2021 and 31st March 2022	<u>£2,519,492</u>	<u>£2,519,492</u>
Social Housing Grant Carrying Value	<u>£ -</u>	<u>£ -</u>

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2022

14. Social Investments

	2022	2021
	£	£
Concessionary loans		
At 1st April 2021	-	-
Repayments in the year	(1,743)	(436)
Reversal of impairment	1,743	436
At 31st March 2022	<u>£ -</u>	<u>£ -</u>

Concessionary loans comprise an interest-free loan made to Cultivate London Ltd in 2012. The loan was fully impaired in the year it was granted. The amount outstanding at 31st March 2022 is £48,081 (2021: £49,824).

15. Fixed Asset Investments

	2022			2021
	Unrestricted	Grassroots	Total	Total
	£	£	£	£
Fair Value				
At 1st April 2021	3,302,081	264,085	3,566,166	2,778,484
Additions	658,485	56,981	715,466	497,748
Disposals	(682,993)	(42,356)	(725,349)	(328,039)
Realised gains/(losses)	(10,778)	818	(9,960)	8,174
Unrealised gains/(losses)	142,361	5,651	148,012	609,799
At 31st March 2022	<u>3,409,156</u>	<u>285,179</u>	<u>3,694,335</u>	<u>3,566,166</u>
Cash Deposits	150,716	6,143	156,859	101,490
	<u>£3,559,872</u>	<u>£291,322</u>	<u>£3,851,194</u>	<u>£3,667,656</u>
Fixed Interest	151,212	15,284	166,496	358,208
Equities and Unit Trust	2,880,505	232,855	3,113,360	2,832,116
Property and Alternatives	377,439	37,040	414,479	175,842
Cash	150,716	6,143	156,859	101,490
	<u>£3,559,872</u>	<u>£291,322</u>	<u>£3,851,194</u>	<u>£3,667,656</u>

Included within Fixed Asset Investments is £3,694,335 (2021: £3,566,166) measured at fair value through net income/(expenditure).

16. Debtors

	2022	2021
	£	£
Residents' Contributions	20,186	24,358
Provision for Doubtful Debts	-	(5,090)
	<u>20,186</u>	<u>19,268</u>
Private Let and Investment Property Debtors	112,066	165,289
Prepayments and accrued income	9,398	37,348
	<u>£141,650</u>	<u>£221,905</u>

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2022

17. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade Creditors	20,812	34,976
VAT	12,536	29,500
Connected parties:		
Housing Pathways	8,822	7,135
Almshouse & Eleemosynary Charity	4,237	34,061
Pathways Jubilee Charity	52	-
Loans	57,639	54,000
Grants payable	26,306	42,105
Deferred income	68,046	68,038
Accrued expenses & Other Creditors	107,623	102,600
	<u>£306,073</u>	<u>£372,415</u>

The two loans are with CAF Bank which are secured by a first legal charge on the properties at 1-57 Dean Court, Ealing. The loans are repayable in monthly instalments over remaining terms of 17 and 19 years, at an interest rate of 2.25% over base rate.

Deferred income at 1 April	68,038	78,154
Income recognised in the year	(68,038)	(78,154)
Amounts deferred this year	68,046	68,038
Deferred income at 31 March	<u>£68,046</u>	<u>£68,038</u>

Deferred income represents rent and service charges invoiced to tenants of the charity's investment properties related to periods beyond the balance sheet date.

18. Creditors: Amounts falling due outside one year

Grants payable	-	8,550
Tenant deposits	51,876	62,356
Loans (Note 17)	1,274,045	1,337,089
	<u>£1,325,921</u>	<u>£1,407,995</u>

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2022

19. Funds	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/(losses) on investments £	Other gains /(losses) £	Transfers £	Balance at 31 March 2022 £
Unrestricted Funds							
General Funds	2,590,120	1,441,576	(1,014,138)	51,504	66,000	(47,906)	3,087,156
<i>Designated Funds</i>							
Grants Reserve	269,073	-	-	-	-	-	269,073
Cyclical Repairs and Maintenance Reserve	179,254	4,861	(1,102)	7,059	-	-	190,072
Extraordinary Repairs Reserve	1,168,524	31,686	(7,185)	46,018	-	-	1,239,043
	4,206,971	1,478,123	(1,022,425)	104,581	66,000	(47,906)	4,785,344
Restricted Funds							
Fixed Asset Fund	1,564,473	-	(35,964)	-	-	-	1,528,509
Grassroots Fund	346,618	7,317	(1,915)	6,469	-	-	358,489
	1,911,091	7,317	(37,879)	6,469	-	-	1,886,998
Endowment Funds							
Permanent Endowment	8,628,707	75,000	(144,212)	769,002	-	47,906	9,376,403
	£14,746,769	£1,560,440	£(1,204,516)	£880,052	£66,000	£ -	£16,048,745
Unrestricted Funds							
General Funds	2,419,789	1,399,270	(1,125,335)	216,918	(195,000)	(125,522)	2,590,120
<i>Designated Funds</i>							
Grants Reserve	269,073	-	-	-	-	-	269,073
Cyclical Repairs and Maintenance Reserve	145,580	4,960	(1,032)	29,746	-	-	179,254
Extraordinary Repairs Reserve	946,841	32,332	(6,724)	196,075	-	-	1,168,524
	3,781,283	1,436,562	(1,133,091)	442,739	(195,000)	(125,522)	4,206,971
Restricted Funds							
Fixed Asset Fund	1,600,437	-	(35,964)	-	-	-	1,564,473
Grassroots Fund	284,877	5,329	(1,753)	58,165	-	-	346,618
	1,885,314	5,329	(37,717)	58,165	-	-	1,911,091
Endowment Funds							
Permanent Endowment	8,528,456	648	(142,988)	117,069	-	125,522	8,628,707
	£14,195,053	£1,442,539	£(1,313,796)	£617,973	£(195,000)	£ -	£14,746,769

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2022

19. Funds

Designated Funds

Extraordinary Repair Fund

The Charity maintains an Extraordinary Repair Fund which is sufficient for the purpose of providing for extraordinary repair, improvement, or rebuilding of the almshouses. With the advent of component accounting, major repairs are usually capitalised. The level of the reserve is considered adequate to cover any such costs that are likely to be charged to the revenue account.

Cyclical Repairs and Maintenance Reserve

This fund is based on the charity's obligation to provide on a continuing basis for the repair and maintenance of their properties based on a planned programme of works and is considered adequate.

Restricted Funds

Grassroots Fund

The Charity set up a restricted fund called the Grassroots Endowment, to ensure the Grassroots project was sustained beyond 2011, when Government funding ceased. Income for the Fund is invested separately, and the balance held as a separate fund.

Fixed Assets Fund

The Fixed Assets Fund represents the proportion of housing properties funded by social housing grant, less the accumulated depreciation attributable to that element of the cost. Social housing grants may be repayable if the charity sells a property or ceases to use it for a qualifying purpose.

Endowment Funds

Permanent Endowment

Under a Charity Commission Scheme dated 18th May 2000 as amended, the four predecessor charities were amalgamated to form the Ealing and Brentford Consolidated Charity which became Housing Pathways Trust in 2012. Under the terms of the Scheme, Housing Pathways Trust activity was classified into four branches and the Scheme specifically refers to the assets which represented each branch's permanent endowment and expendable endowment.

20. Net Assets and Funds by Branch

	Branch 1	Branch 2	Branch 3	Branch 4	Restricted	Total
	£	£	£	£	£	£
Properties	6,662,655	-	-	-	-	6,662,655
Investment						
Properties	2,395,000	2,395,000	-	-	-	4,790,000
Other Fixed Assets	1,382,724	-	-	-	-	1,382,724
Investments	2,600,930	294,256	659,924	4,762	291,322	3,851,194
Net Current						
Assets/ (Liabilities)	221,066	614,429	(57,927)	358	67,167	845,093
Creditors Due						
Outside One Year	(1,299,983)	(25,938)	-	-	-	(1,325,921)
Provisions for						
Liabilities	(157,000)	-	-	-	-	(157,000)
	<u>£11,805,392</u>	<u>£3,277,747</u>	<u>£601,997</u>	<u>£5,120</u>	<u>£358,489</u>	<u>£16,048,745</u>
Permanent						
Endowment	6,144,184	2,731,047	498,191	2,981	-	9,376,403
Restricted Funds	1,528,509	-	-	-	358,489	1,886,998
Designated Funds	1,553,839	144,349	-	-	-	1,698,188
Unrestricted Funds	2,578,860	402,351	103,806	2,139	-	3,087,156
	<u>£11,805,392</u>	<u>£3,277,747</u>	<u>£601,997</u>	<u>£5,120</u>	<u>£358,489</u>	<u>£16,048,745</u>

Housing Pathways Trust**Notes To the Financial Statements****For The Year Ended 31st March 2022**21. **Net Assets by Funds**

	Permanent Endowment £	Restricted Funds £	Unrestricted Funds £	2022 Total £
Housing Properties	3,701,487	1,528,509	1,432,659	6,662,655
Investment Properties	4,790,000	-	-	4,790,000
Other Fixed Assets	1,379,381	-	3,343	1,382,724
Investments	716,549	291,322	2,843,323	3,851,194
Net Current Assets/(Liabilities)	63,031	67,167	714,895	845,093
Creditors Due Outside One Year	(1,274,045)	-	(51,876)	(1,325,921)
Provisions for Liabilities	-	-	(157,000)	(157,000)
	<u>£9,376,403</u>	<u>£1,886,998</u>	<u>£4,785,344</u>	<u>£16,048,745</u>
	Permanent Endowment £	Restricted Funds £	Unrestricted Funds £	2021 Total £
Housing Properties	3,759,155	1,564,473	1,479,664	6,803,292
Investment Properties	4,048,000	-	-	4,048,000
Other Fixed Assets	1,398,208	-	3,677	1,401,885
Investments	693,763	286,796	2,687,097	3,667,656
Net Current Assets/(Liabilities)	66,670	59,822	359,439	485,931
Creditors Due Outside One Year	(1,337,089)	-	(70,906)	(1,407,995)
Provisions for Liabilities	-	-	(252,000)	(252,000)
	<u>£8,628,707</u>	<u>£1,911,091</u>	<u>£4,206,971</u>	<u>£14,746,769</u>

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2022

22. Pension Obligations

Housing Pathways Trust participates in the Social Housing Pension scheme, (SHPS) a multi-employer scheme which provides benefits to some 500 non-associated employers. The scheme is a defined benefit scheme in the UK administered by TPT Retirement Solutions ('TPT').

The scheme is classified as a 'last-man standing arrangement'. Therefore, Housing Pathways Trust is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

Present Values of Defined Benefit Obligation, Fair Value of Assets and Defined Benefit Asset/(Liability)

	2022	2021
	£	£
Fair value of plan assets	1,039,000	1,100,000
Present value of defined benefit obligation	<u>(1,196,000)</u>	<u>(1,352,000)</u>
Surplus/(deficit) in plan	<u>(157,000)</u>	<u>(252,000)</u>

Reconciliation of opening and closing balances of the Defined Benefit Obligation

	2022	2021
	£	£
Defined benefit obligation at start of period	1,352,000	1,089,000
Current service cost	10,000	6,000
Expenses	3,000	3,000
Interest expense	29,000	26,000
Contributions by plan participants	4,000	4,000
Actuarial losses/(gains) due to scheme experience	(17,000)	(24,000)
Actuarial losses/(gains) due to changes in demographic assumptions	(19,000)	5,000
Actuarial losses/(gains) due to changes in financial assumptions	(105,000)	272,000
Benefits paid and expenses	<u>(61,000)</u>	<u>(29,000)</u>
Defined benefit obligation at end of period	<u>1,196,000</u>	<u>1,352,000</u>

Reconciliation of opening and closing balances of the Fair Value of Plan Assets

	2022	2021
	£	£
Fair value of plan assets at start of period	1,100,000	997,000
Interest income	24,000	24,000
Experience on plan assets	(75,000)	58,000
Contributions by the employer	47,000	46,000
Contributions by plan participants	4,000	4,000
Benefits paid and expenses	<u>(61,000)</u>	<u>(29,000)</u>
Fair value of plan assets at end of period	<u>1,039,000</u>	<u>1,100,000</u>

The actual return of the plan assets (including any changes in share of assets) over the period ended 31 March 2022 was £(51,000).

Housing Pathways Trust**Notes To the Financial Statements****For The Year Ended 31st March 2022****22. Pension Obligations (continued)****Defined Benefit costs recognised in Net Income/(Expenditure)**

	2022	2021
	£	£
Current service cost	10,000	6,000
Less: amount allocated to other group charities	(3,303)	(3,041)
Expenses	3,000	3,000
Net interest expense	5,000	2,000
	<u>14,697</u>	<u>7,959</u>

Defined Benefit costs recognised in Other Gains and Losses

	2022	2021
	£	£
Experience on plan assets	(75,000)	58,000
Experience gains and losses arising on the plan liabilities	17,000	24,000
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation	19,000	(5,000)
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation	105,000	(272,000)
Actuarial (loss)/gain recognised in other recognised gains/(losses)	<u>66,000</u>	<u>(195,000)</u>

Housing Pathways Trust**Notes To the Financial Statements****For The Year Ended 31st March 2022****22. Pension Obligations (continued)**

Assets	2022 (£000s)	2021 (£000s)
Global Equity	199	175
Absolute Return	42	61
Distressed Opportunities	37	32
Credit Relative Value	34	35
Alternative Risk Premia	34	41
Emerging Markets Debt	30	44
Risk Sharing	34	40
Insurance-Linked Securities	24	26
Property	28	23
Infrastructure	74	73
Private Debt	27	26
Opportunistic Illiquid Credit	35	28
High Yield	9	33
Opportunistic Credit	4	30
Corporate Bond Fund	69	65
Liquid Credit	-	13
Long Lease Property	27	22
Secured Income	39	46
Liability Driven Investment	290	280
Currency Hedging	(4)	-
Net Current Assets	7	7
Total Assets	1,039	1,100

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

Key Assumptions	2022 % per annum	2021 % per annum
Discount Rate	2.79	2.18
Inflation (RPI)	3.54	3.27
Inflation (CPI)	3.17	2.87
Salary Growth	4.17	3.87
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31st March 2022 imply the following life expectancies:

	Life expectancy at age 65 (Years)
Male retiring in 2022	21.1
Female retiring in 2022	23.7
Male retiring in 2042	22.4
Female retiring in 2042	25.2

Housing Pathways Trust

Notes To the Financial Statements

For The Year Ended 31st March 2022

23. Capital Commitments

At 31st March 2022 there were no commitments in relation to the refurbishment of the charity's properties or otherwise.

24. Contingent Liabilities

There were no contingent liabilities at 31st March 2022 or 31st March 2021, other than that of the potential employer debt on the Pension Scheme (Note 22).

25. Housing Stock

The number of units of housing owned by the Charity at 31st March 2022 and 31st March 2021 were:

	Units Under Ownership	
	2022	2021
Social Housing Accommodation		
Sheltered Housing	132	132
Units let privately	6	6

26. Related Parties

Housing Pathways was until 1st April 2022 the Corporate Trustee of Housing Pathways Trust and acts as the paymaster for employees jointly employed by the Pathways charities.

In the year ended 31st March 2022 the Trust was allocated staff costs of £254,336 (2021: £289,569). Housing Pathways provides full administrative services to the charity and charged £93,303 (2021: £88,739) to the Charity.

At 31st March 2022 the Trust owed £8,822 (2021: £7,135) to Housing Pathways and £52 (2021: £Nil) to The Pathways Jubilee Charity.

At 31st March 2022 the Trust owed £4,237 (2021: £34,061) to Almshouse and Eleemosynary Charity, a charity of which Housing Pathways is Corporate Trustee. Housing Pathways Trust also paid for the insurance of the housing properties of Almshouse and Eleemosynary Charity for which no recharge was made.

Housing Pathways, and the other charities of which it is trustee, operate from office premises owned by Housing Pathways Trust, for which no rent is charged.

27. Ultimate Parent Undertaking and Consolidated Accounts

Housing Pathways (charity number 1143249, company number 07626917), the corporate trustee, is considered to be the ultimate parent undertaking of the charity. The consolidated financial statements including the charity's results can be obtained from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ. The other entities in the group are as follows:

- Housing Pathways
- Pathways Jubilee Charity (Registered Provider)
- King George V Memorial Houses (Registered Provider)
- Almshouse and Eleemosynary Charity
- The Educational Foundation of Francis Courtney

Housing Pathways Trust
Notes To the Financial Statements
For The Year Ended 31st March 2022

28. Post Balance Sheet Event

By order of a Scheme issued by the Charity Commission, on 1st April 2022 the Pathways Jubilee Charity and Almshouse and Eleemosynary Charity were merged into Housing Pathways Trust. The net assets acquired on this merger amounts to £6,055,132. This Scheme also merged Branch 2 of the Charity into Branch 1.

HOUSING PATHWAYS TRUST

England & Wales - Charity number 211053

Accounts

HOUSING PATHWAYS TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

Social Housing Regulator No. A0376

Charity Registered No. 211053

HOUSING PATHWAYS TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

INDEX

	Pages
Annual Report of the Trustee	1 – 19
Independent Auditors' Report	20 – 22
Statement of Financial Activities	23
Balance Sheet	24
Statement of Cash Flows	25 – 26
Notes to Financial Statements	27 – 45

HOUSING PATHWAYS TRUST
ANNUAL REPORT OF THE TRUSTEE
FOR THE YEAR ENDED 31ST MARCH 2021

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY

Charity Registration

Housing Pathways Trust is governed by a Scheme issued by the Charity Commissioners for England and Wales on the 18th May 2000 (consolidating Ealing Consolidated Charities, Bowman and Taylor Trust, Bowman and Others: Brentford Trust and Bowman Ecclesiastical Trust into The Ealing and Brentford Consolidated Charity, since renamed), as amended by resolution dated 24th March 2011 and as amended by a further Scheme issued on the 5th January 2012.

The charity is registered with the Regulator of Social Housing as a Registered Provider (No. A0376).

Principal and Administration Address

Registered office of Corporate Trustee:
33 Dean Court
Bowmans Court
Ealing,
London
W13 9YU

Corporate Trustee

The Corporate Trustee of the charity is Housing Pathways, a company limited by guarantee, (Company number 07626917, and Charity registered number 1143249). The directors of the Corporate Trustee who held office during the year and up to the date of signature of the financial statements, who are also the trustees, were as follows:

Rev. Mark Melliush	Ex-Officio, Chair
Mr Stephen McNaughton	Retired 5 May 2021
Ms Janet Weekes	
Ms Katherine Yentumi	
Mr Dillan Blake-Smith	
Ms Isabella Rossi	
Mr Matthew Doyle	
Ms Alice Mackenzie	Retired 31 March 2021
Ms Andrea Joseph	Appointed 17 September 2020
Mr Andrew Jefford	Appointed 29 July 2021

HOUSING PATHWAYS TRUST
ANNUAL REPORT OF THE TRUSTEE
FOR THE YEAR ENDED 31ST MARCH 2021

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY (continued)

Officers and advisors

Chief Executive Officer and management team

The Board appointed Steve McNaughton as interim Chief Executive on a consultancy basis in May 2021. Leanne Donald-Whitney was appointed as Head of Operations in July 2020 and Bolaji Campell is the Finance Manager & Company Secretary.

Bukky McGlynn, CEO left Pathways on 9th October 2020 and Abby Akinola, Head of Finance and IT left Pathways on 20th August 2021.

Principal Advisors

Principal Auditors

Knox Cropper LLP
Chartered Accountants
65 Leadenhall Street
London
EC3A 2AD

Principal Chartered Surveyors

Ingleton Wood
10 Lake Meadows Business Park
Woodbrook Crescent
Billericay
Essex
CM12 0EQ

Principal Bankers

National Westminster Bank Plc
1 The Mall
Ealing
London
W5 2PL

Principal Solicitors

Devonshires
30 Finsbury Circus
London
EC2M 7DT

Principal Investment Managers

Investec Wealth & Investment Limited
30 Gresham Street
London
EC2V 7QN, United Kingdom

HOUSING PATHWAYS TRUST
ANNUAL REPORT OF THE TRUSTEE
FOR THE YEAR ENDED 31ST MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

Housing Pathways Trust is an unincorporated charity which is governed by a Scheme issued by the Charity Commissioners for England and Wales on 18th May 2000 as amended by resolution dated 24th March 2011 and a further Scheme issued on the 5th January 2012.

The Charity is the consolidation of a number of smaller charities dating back to the sixteenth century with the areas of benefit incorporating the London Borough of Ealing and the town of Brentford.

How Trustees are Recruited, Appointed, Inducted and Trained

Housing Pathways is the corporate Trustee. There are no geographical restrictions on director appointment and applications from persons living in Greater London boroughs, particularly where we have a presence, are welcomed. Vacancies are advertised in the local press and on charity related websites, with a nationwide reach. Applicants for director vacancies are interviewed by the Chair of the Board and 2 other Board members of the nominations committee prior to appointments. All new directors have an induction session which covers core areas of the business.

Existing directors also have access to ongoing training opportunities, to assist them in fulfilling their roles and responsibilities. In addition to the Board meetings, directors attend an annual review day, which allows for detailed discussions on strategic planning issues.

Organisation and Management

Housing Pathways is the Corporate Trustee, but delegates most of the day-to-day management of the Charity to its Chief Executive and staff. The Chief Executive reports to the Chair and the Board of Directors of Housing Pathways. The Directors of Housing Pathways are also Trustees.

Housing Pathways provides a full management service to the Charity, including all operational, administrative and financial functions, for which it charges a management fee.

The Housing Pathways Board usually meets six times a year to agree strategy, oversee operations, manage risk and consider the financial standing of the Charity. In addition to the main meetings of the Board of Directors of Housing Pathways there are the following sub-committees which focus on specific areas of the business in more detail: Audit and Risk, Development and Asset Management, Grants and Nominations. Governance matters are dealt with by the main Board, except that the nominations sub-committee oversees the recruitment of new directors.

The Board and each sub-committee have an agreed Terms of Reference, detailing their purpose and responsibilities. The key decision-making protocols are contained in the Committees' terms of reference and the Financial Standing orders, the latter being reviewed by the Audit and Risk Committee annually.

HOUSING PATHWAYS TRUST
ANNUAL REPORT OF THE TRUSTEE
FOR THE YEAR ENDED 31ST MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

In July 2021, the board appointed Joshua Reddaway as a co-optee to Audit & Risk Committee and Alice Mackenzie retired from the board and joined the Grant Committee as a co-optee in April 2021.

The Nominations committee agree the remuneration of the management team, which is then reflected in the annual budget and approved by the Board. The committee considers a range of peer organizations pay reviews as a benchmark, and the overall economic and regulatory conditions in which the Charity is expected to operate in the coming year. In assessing the April 2020 staff pay review, the prevailing CPI rate and uncertainty regarding covid-19 pandemic and its possible effect on the economy in general and house prices and rents in particular was taken into account.

Staff are responsible for carrying out the strategy agreed by the Board and the Chief Executive may act within the constraints of the overall expense budget agreed by the Board. The management team during the year comprised, in addition to the Chief Executive, a Housing team and a Finance team.

OBJECTIVES AND ACTIVITIES

Objects

The objectives of the charity are:

Branch 1 (as amended by the Charity Commission order of 5th January 2012):

(1) The objects of branch 1 are:

- (a) The provision of housing accommodation for persons who are in need, hardship or distress who (except in special cases to be approved by the Commission) are resident in the former Borough of Ealing or the London Borough of Ealing;
- (b) Such charitable purposes for the benefit of the residents as the trustees decide; and
- (c) The relief of persons resident in the London Borough of Ealing who are in need, hardship or distress.

Branch 2

The relief of persons who are in need, hardship or distress in Brentford and the surrounding areas.

Branch 3

To further the religious and other charitable work of the Church of England in the London Borough of Ealing.

Branch 4

To promote the education of children who are in need of financial assistance and are resident in the London Borough of Ealing.

HOUSING PATHWAYS TRUST
ANNUAL REPORT OF THE TRUSTEE
FOR THE YEAR ENDED 31ST MARCH 2021

OBJECTIVES AND ACTIVITIES (continued)

Charity's Aims

The Charity's aims are to manage and improve performance to achieve Value for Money and better economies of scale in order to compare well with the best in our sector.

Activities

The trustees have had regard to Charity Commission guidance on public benefit. The Charity's activities (as below listed) meet the two key principles of public benefit as set out in Charities and Public Benefit which are that:

- a) There must be an identifiable benefit or benefits;
- b) Benefit must be to the public, or section of the public.

Housing for Older People

The Charity owns and manages 124 units of housing accommodation across six sites based in Ealing, which are let to older people who meet the below qualifying criteria: -

- (a) aged 60 years or over;
- (b) resident now and for the past 2 years in the London Borough of Ealing;
- (c) capable of living independently; and,
- (d) of limited means.

A further 8 units are let to general needs residents. The weekly maintenance contribution (i.e. the housing charge for the accommodation) is set in accordance with the Social Housing Regulator's rent formula and there are 6 units let privately because older residents could not be found or they were considered unsuitable for social housing use.

In total the charity owns and manages 138 units of accommodation consisting of 124 for older people across 6 sites, 8 general needs units across 2 sites, all in Ealing (2020: 132 units) and 6 units (2020: 6 units) let on private rents. The weekly maintenance contribution (accommodation charge) is set in accordance with the Social Housing Regulator's rent formula and increases are based on Consumer Price Inflation.

In 2020-21 we housed 11 new residents in our Almshouse accommodation for older people.

During the year we completed refurbishment of kitchens, bathrooms and replacement of boilers in Dean Court, Bowmans Court, Tawny Close, Castlebar Park.

New courtyard improvement at Dean Court- allowing residents to enjoy their communal areas.

HOUSING PATHWAYS TRUST
ANNUAL REPORT OF THE TRUSTEE
FOR THE YEAR ENDED 31ST MARCH 2021

OBJECTIVES AND ACTIVITIES (Continued)

Allotments

The Charity owns two large allotment sites in Ealing which are let to residents of the borough. A committee of plot-holders manages each of these. The Charity offers concessions for people on a low income whilst others pay the full rent.

Ealing Green

The Charity owns the freehold of a building overlooking Ealing Green and adjacent to the Ealing Broadway Shopping Centre. The building consists of a small parade of 8 shops with 13 apartments above. The flats are all let on long leases, whilst the shops are let on a fixed term of 10 years with various expiry dates.

Grants

Surplus income generated from the above retail activity at Ealing Green funds the Charity's main grants programme in Branches 1 and 2.

Grants are also provided under:

- Branch 3 from an ecclesiastical fund to recipients determined by the Ealing Deanery Synod.
- The Grassroots fund.

The main grants programme covers the Ealing W5, W7 and W13, and the Brentford TW8 postcodes. The grant giving policy contributes to our aims and objectives as it covers a number of criteria so that we consider applications from organisations or projects that:

- Strengthen the local voluntary and community sector
- Aim to alleviate poverty by tackling root causes
- Promote healthy living among disadvantaged groups
- Help disadvantaged people in the community to access local services
- Improve educational and employment opportunities
- Tackle homelessness
- Overcome isolation
- Support victims of domestic violence
- Provide counselling and support services
- Meet the need of disadvantaged people who have or care for those with disabilities
- Promote social cohesion and/or cross-generational activities

REVIEW OF ACHIEVEMENTS AND PERFORMANCE

This report covers the activities of Housing Pathways Trust for the year ended 31 March 2019.

Distributive grants

Overall grants awarded by Housing Pathways Trust in 2020-21 amounted to £120,188 (2020: £94,251).

The main Pathways Grants programme is funded from the net rental income derived from our commercial shops at The Green, Ealing, which is split equally between branches 1 (Ealing) and 2 (Brentford).

HOUSING PATHWAYS TRUST

ANNUAL REPORT OF THE TRUSTEE

FOR THE YEAR ENDED 31ST MARCH 2021

REVIEW OF ACHIEVEMENTS AND PERFORMANCE continued

Distributive grants continued

Our main programme strategy is to fund work which benefits people in communities. We support full cost recovery and will consider giving grants for up to 3 years for organisations that are able to demonstrate that they have monitored and evaluated their work, have learned lessons and refined their approach, and have achieved their stated results. However, we do generally limit our programme to small organisations defined as those with an annual income of less than £100,000 a year.

Main programme recipients from branches 1 and 2 were as follows:

Recipients:	Project	Grant
Bless Community Church	Funding an Early Years Development Workers within a baby and toddler project which provides training opportunities to parents. The 'Playtime' project serves young families across the Ealing area on a weekly basis.	£27,105
Ealing Club CIC	The Ealing Club Eclectic 2020 project support 350 aged between 16-22 years who will have the opportunity to work alongside sound engineers to develop a career in sound engineering.	£5,000
Voice of Somali Community	The Families First project benefitted 120 people from the Somali community, mainly refugees and includes children. A major difficulty of the Somali community is their lack of familiarity with the institutions, organisations, and norms of UK society. This project aims to alleviate these difficulties through advocacy work.	£9,800
Ealing Law Centre	The Ealing Law Centre project is a provision of free legal advice and advocacy at Courts and Tribunals. The request for funding was for additional hours for a 'Crisis Navigator' to provide weekly one to one support for a period of 10 weeks, and help people navigate the appeals and tribunal system.	£4,000
Ealing Mediation Service	The project promoted the provision of services directed towards mediation, conciliation, or reconciliation as between persons, organisations, authorities or groups involved or likely to become involved in dispute or interpersonal conflict. They promote mediation awareness to parents and guardians of students and school staff via 26 site visits and publicity materials to all state schools/colleges in W5, W7 & W13.	£5,000
Maggie's Centre	The Maggie's Centre Trust is established to relieve the suffering and distress and to further the health of persons with cancer their families and carers. In the 6 weeks the Pathways grant funded the Centre head salary, this supported around 2,270 people with cancer either in the Centre or online	£10,000
Into the Light	Childhood Abuse Support Project- supported 16 women to improve their emotional wellbeing and tackle isolation by connecting them to other survivors. The project was a two 10-week psychoeducational course for adult survivors of childhood sexual abuse in Ealing. It focused on the impact of sexual abuse in adults.	£4,000

HOUSING PATHWAYS TRUST
ANNUAL REPORT OF THE TRUSTEE
FOR THE YEAR ENDED 31ST MARCH 2021

REVIEW OF ACHIEVEMENTS AND PERFORMANCE continued

Distributive grants continued

Recipients:	Project	Grant
Centre for Armenian Information & Advice	CAIA seeks to enhance the quality of life for disadvantaged members of the Armenian community in London, specifically those living in isolation, poverty, or distress. The project support 450 people from the Armenian community to improve and help them access services. 40% of the users are based in Ealing and Hounslow and the grant money will help fund a full-time advice worker.	£9,996
Gurnell Grove Community Trust	The Community Socials project took the form of two schemes which will run concurrently - a weekly Community Lunch club and a monthly Community Pop-Up. The grant will train Community Workers as a registered Mental Health First Aider so they can better support residents with enhanced skills in this area.	£7,987
The Living Room (Acton Baptist)	The grant was used to cover costs of youth workers to carry out projects among teenagers in Acton who need adult support.	£7,500
Welshore Community	The grant was used for two purposes -Sewing Group Project was to promote and enhance sewing skills. Knit and Natter Group -To improve the well-being of residents in West London, by providing activities and services which will educate, inform, and bring people who are isolated, vulnerable, and excluded together, to engage in social activities which foster inclusiveness, participation, and co-operation.	£5,000
Crossway Pregnancy Crisis Centre	The Girls Project -is work Crossway Pregnancy Crisis Centre do in schools in Brentford and Ealing. The school's coordinator runs the Girls Project at Brentford Football Club. The activities are based around self-esteem, body image, peer pressure, relationships, and consent. It was a 7-week programme with maximum of 8 girls at a time	£1,500
The Mulberry Centre	The Mulberry Centre is a cancer support charity. The project aims to improve the emotional, psychological, and physical wellbeing of Ealing and Brentford residents who are affected by cancer. These residents will include people affected directly with a diagnosis.	£10,000
		Cont/...

HOUSING PATHWAYS TRUST
ANNUAL REPORT OF THE TRUSTEE
FOR THE YEAR ENDED 31ST MARCH 2021

REVIEW OF ACHIEVEMENTS AND PERFORMANCE continued

Distributive grants continued

Covid 19- Emergency Grant

Pathways has also launched a Covid-19 Emergency Grant to help support local charities working with vulnerable communities impacted by Covid-19 since the start of the Pandemic.

So far since April 2020 to March 2021 we have paid the grants to the following organisations:

Recipients:	Project	Grant
Afghanistan & Central Asian Association	The project support hardest hit communities in Ealing during COVID-19 for a period of 12 weeks. They communicate with service users in their own languages offering support through interpreting and translating, counselling, reassurance, social contact, assistance and advocacy with financial issues, benefits issues, citizenship applications, guidance and support to victims of domestic violence, mental health support and signposting to relevant health services.	£1,200
Armenain Church Trust	The project will cover costs related to travel of the volunteers. Help Buying essentials and food and PPE for the volunteers to not only keep themselves safe but also the vulnerable and people that need to self-isolate due to medical issues.	£1,500
The Felix Project	The Felix Project rescues food that cannot be sold and would otherwise go to waste. This food is in-date, safe and nutritious, and includes a high proportion of fresh fruit and vegetables as well as baked goods, salads, meat and fish. Their staff checked, sorted and then delivered food to their frontline charities, primary schools and holiday programmes in London.	£1,500
Dementia Concern	The project involves 3 Deliveries to 125 Live-alone Clients with dementia: The costs of deliveries to Dementia Concern's clients living alone with dementia.	£1,500
Neighbourly Care	Neighbourly Care provide services to reduce social isolation and loneliness for vulnerable adults, older people, and their carers. Neighbourly Care will continue to provide a telephone befriending service, shopping support service for Ealing vulnerable residents during Lockdown.	£1,500
Home Start Ealing	Home Start Ealing help to tackle increased challenges facing families in particular in relation to their mental and economic health and to tackle the serious issue of social isolation as many families with children under 5 have felt unable to leave their homes throughout the pandemic and feel very anxious about taking steps to move on.	£1,500
MHA Ealing Live Home Scheme	The project help to support shielding/self-isolation through weekly, bi-weekly, daily telephone befriending for older people who are currently self-isolating due to Covid19.	£1,500
		Cont/...

HOUSING PATHWAYS TRUST
ANNUAL REPORT OF THE TRUSTEE
FOR THE YEAR ENDED 31ST MARCH 2021

REVIEW OF ACHIEVEMENTS AND PERFORMANCE (continued)

Distributive grants (continued)

Age UK	Typically, Age UK's beneficiaries are those age over 65 with diverse needs, people who live alone or don't have regular visitors or contacts. Since the pandemic, they receive up to 12 referrals per week. The grant is used to provide regular support to beneficiaries by telephone.	£1,500
Reverse the Trend Foundation	The funding is for delivering online mental health support to our current users in Ealing which is approximately 200 young people. They will work with children raising awareness of how their brains work, how to manage anxiety, stress and regulate impulse control which will be prevalent during this pandemic.	£1,500
The Log Cabin	Project for ongoing core costs and to ensure we can keep their doors open to serve the 300 families that depend on their services. Many of these children have extreme disabilities and additional needs. A large portion of the children live in flats and do not have access to suitable outdoor garden space. They need a safe space to play as well as require 1:1 supervision.	£1,500
Shooting star Children's Hospices	The grant for one night of emergency respite care to a family who need it most. Occasionally, a family may require short notice support due to an unexpected situation that arises. This may include the child's main carer being taken ill, deterioration of the child's condition or a major facilities failure at home for a prolonged period.	£1,500
Maggie's Centre	The Maggies Centre provides cancer support to people over the phone, email and drop in 1:1 session to anyone affected by cancer in the West London area. The grant is for 30 cancer support sessions to help people with cancer and their family and friends understand their diagnosis, treatment, and life with cancer.	£1,500
	Total	£120,188

Branch 3 grants are administered by the Ealing Deanery Synod, who handle all grant administration including seeking and assessing applications, deciding on grant recipients, carrying out all appropriate monitoring, and providing subsequent grant evaluations for scrutiny purposes. In 2020-21 the Synod requested that the grant award is suspended due to covid-19 pandemic but rolled over to 2022 grant award and in 2020 £15,129 was awarded to their agreed recipients. Whilst each of the grants is small in value, there is real and very beneficial impact on the churches involved and their level of outreach.

HOUSING PATHWAYS TRUST
ANNUAL REPORT OF THE TRUSTEE
FOR THE YEAR ENDED 31ST MARCH 2021

Commercial Property

Our commercial property consists of a parade of shops at 19 to 26 The Green, with 13 apartments above, all let on 125 year leases. It is a well-known local landmark, on a busy route into Ealing Broadway, and is in a conservation area. It's been a challenging year for our commercial properties where 100% of the businesses have been impacted by Covid-19 and many unable to open until July 2021. In line with government legislation, it was important for Pathways to work with its commercial tenants to enable the businesses to remain financially sustainable. During Covid-19, Pathways Trustees agreed that they would support their Commercial tenants and based on individual assessments, Pathways provided financial support for the Shops between April 2020 and March 2021, to the total value of £53,650

Allotments

Demand for our allotments remains high and over-subscribed. The day-to-day responsibility for allotment management is in the hands of plot-holders committees, the Ealing Dean Allotment Society and the Haslemere Allotments Association, under a management agreement signed between the Charity and each committee. The allotment committees are paid a management fee to fund day-to-day maintenance and administration and the Charity pays for major works. The arrangements are working very well, and we are appreciative of the efforts of the two committees.

The Allotments has proved a real sanctuary for plot holders during the Covid pandemic. the allotments provided a vital open space where people could get fresh air, exercise and, of course, grow their own healthy fruit and vegetables. At a time when parks and other open spaces were often crowded, the allotment site offered a socially distanced refuge where you could safely talk to your plot neighbours and friends. Many plot holders said it was a 'lifeline' for both their physical and mental health.

VALUE FOR MONEY (VFM)

Our aim is to deliver services of the right quality economically, efficiently and effectively, thus meeting the needs of our residents and all other stakeholders. Housing Pathways is committed to continuously improving our VFM for our residents in all aspects of our business.

Our VFM reporting and analysis is now focused on the seven key metrics which are used for comparison across the sector. The peer group median used comprised 34 smaller housing associations primarily providing Housing for Older People accommodation nationally and of which 29 members' data was included in the calculation.

HOUSING PATHWAYS TRUST
ANNUAL REPORT OF THE TRUSTEE
FOR THE YEAR ENDED 31ST MARCH 2021

VALUE FOR MONEY (VFM) continued

Value for Money Key Metrics

	HfOP peer group 2020-21	Housing Pathways (average)	Housing Pathways Trust
1. Reinvestment % Considers the investment in properties (existing stock as well as new supply) as a percentage of the value of total properties held.	2.80%	1.47%	0.63%
2. New Supply Delivered % The number of new social housing and non-social housing homes that have been acquired or developed in the year as a proportion of total social housing and non-social housing homes owned at period end. A. New supply delivered (Social housing homes) B. New supply delivered (Non-social housing homes)	0 0	0 0	0 0
3. Gearing % Assesses how much of the adjusted assets are made up of debt and the degree of dependence on debt finance.	1%	1.06%	11.70%
4. Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs Included (EBITDA MRI) Interest Cover %. A key indicator for liquidity and investment capacity. Measures the level of surplus generated compared to interest payable	478%	1,265%	996%
5. Social Housing Cost Per Unit The headline social housing cost per unit as defined by the Regulator	£5,415	£6,000	£5,972
6. Operating Margin% Demonstrates the profitability of operating assets before exceptional expenses are taken into account. Increasing margins are one way to improve the financial efficiency of a business. A. Operating Margin (social housing lettings only) B. Operating Margin (overall) after adjusting for impairment and merger costs	10.2% 13.4%	3.10% 8.08%	3.12% 6.49%
7. ROCE % Compares the operating surplus to total assets less current liabilities. An assessment of the efficient investment of capital resources.	2.46%	1.28%	0.54%

In most of the key metrics Housing Pathways Trust's performance appears to be below that of the HfOP peer group of 2020-21. The charity does have loans which appear to be significantly higher than our peers, the loans also impact gearing and our ROCE.

HOUSING PATHWAYS TRUST
ANNUAL REPORT OF THE TRUSTEE
FOR THE YEAR ENDED 31ST MARCH 2021

Social Housing Cost per Unit

	HfOP peer group 2020-21	Housing Pathways (average)	Housing Pathways Trust
Cost per home			
Management costs		2,493	2,708
Service charge costs		816	963
Routine maintenance cost		1,985	1,977
Planned maintenance		-	-
Major repairs expenditure		706	324
Other social housing costs		-	-
Total	£5,415	£6,000	£5,972

Some of the properties within the charity have undergone some planned maintenance work which aim to future proof our homes and ensure continued compliance with regulatory standards.

Upon completion of our planned maintenance programme and major repairs works we expect there to be significant cost reductions in future routine maintenance expenditure.

Return On Capital Employed

Proactive management of our assets through the planned maintenance programme was reduced in the year due to covid-19 pandemic. We are aware that returns from the operating activities are lower than would be expected from a commercial operation. This will be addressed as part of the transition to and implementation of the new strategic plan and focus of the organisation.

Key Performance Indicators (KPIs)

As members of the Housing for Older People benchmarking group, run by Acuity, which comprises about 34 similarly sized housing providers. We have access to a range of KPIs, both for the immediate group and national comparisons with Housemark, enabling us to compare performance and share good practice to drive improvements and reporting to stakeholders. The KPIs cover areas of organizational performance including resident satisfaction, Value for Money, repairs, lettings, voids, and compliance but they also provide benchmarking information on areas such as average working days lost due to staff sickness days.

HOUSING PATHWAYS TRUST
ANNUAL REPORT OF THE TRUSTEE
FOR THE YEAR ENDED 31ST MARCH 2021

VALUE FOR MONEY (continued)**Key Performance Indicators**

	HfOP 2020-21	Housing Pathways 2020-21	Housing Pathways 2019-20	Housing Pathways 2018-19
Current resident annual WMC collection rate	100%	-	103.2%	103.6%
Current resident arrears as a % of the annual WMC	0.9%	2.31%	2.73%	3.0%
Homes with a valid Gas Safety Certificate %	-	100%	100%	100%
All reactive repairs completed within target time %	95.7%	81%	85%	86%
Emergency repairs completed within target time %	100%	78%	79%	83%
Urgent repairs completed within target time %	97.9%	78%	82%	84%
Routine repairs completed within target time %	95%	87%	93%	89%

Information Communication Technology (ICT)

We have upgraded our IT equipment and have out in place plans to modernise software to ensure our systems are fit for purpose. We updated our website to make it more user friendly for our residents and stakeholders. In order to continuously improve services and streamline key processes, we will continue to improve and embrace the best of new and emerging digital technology.

COMPLIANCE WITH THE 2015 NHF CODE OF CONDUCT

Housing Pathways Trust adheres to the National Housing Federation 2015 code of Governance, except where specified below.

The code includes a provision that directors should serve no more than nine years in total, though in that regard Housing Pathway's Articles take precedence over the code in relation to the Nominated and Ex-officio directors. Housing Pathways, the Corporate Trustee, is compliant regarding directors' tenure and has appointed a number of new directors since 2018, based on needs identified through a skills audit. The board not only includes people from diverse backgrounds and with diverse attributes, their membership helps to ensure healthy debate and challenge from a range of perspectives, the board also has a majority of newer members.

In April 2021, The Board of Directors agreed to adopt the 2020 NHF code of Governance and work will be done to ensure the compliance with the 2020 code of Governance by March 2022.

HOUSING PATHWAYS TRUST
ANNUAL REPORT OF THE TRUSTEE
FOR THE YEAR ENDED 31ST MARCH 2021

COMPLIANCE WITH THE 2015 NHF CODE OF CONDUCT (continued)

Our Asset & Liabilities register comprises details of our assets including investments, debtors, bank accounts, owned Housing properties including title and charges, property type, Weekly Maintenance Contributions by property, details of private lets and rents with cross references to the location of component values of housing stock. Management agreements and Ealing Green commercial property details are also cross referenced to the location of lease files held. Liabilities on the register include loans; planned maintenance and major repair contracts; leases; pension deficit information, insurance and claims information, Pay As You Earn and Value Added Tax obligations.

The Board continue to monitor the evolving landscape particularly in light of covid-19 pandemic and to ensure the stress testing of business plans with changing scenarios.

FINANCIAL REVIEW

The Charity recorded a net movement in fund of £551,716 (Restated 2020: deficit of £33,979), this is due increased in raising funds (increased in bad debt provision) and losses on defined benefit pension scheme and is offset by favourable movement on the value of investments to £617,973 (2020: adverse movement of £404,058).

In the year the Charity made a surplus on Social Housing lettings of £31,842 (Restated 2020: deficit of £30,838). Non-social housing activities including allotments, commercial properties and other income was £454,672 (Restated 2020: £490,919). Grants payable and grass roots management costs were £145,399 (Restated 2020: £111,324). After interest, investment fees and large movements on the carrying value of investments the charity ended the year with a net movement in fund of £551,716 (Restated 2020: deficit of £33,979).

The Statement of Financial Activities shows an increase of £551,716 in Funds to £14,195,769 (Restated 2020: £14,195,053) and is mainly attributable to an increase in the carrying value of fixed asset investments and prior year adjustments.

Reserves Policy and Reserves

Designated reserves are maintained in accordance with guidance issued by the National Almshouse Association for the cyclical maintenance and repair of the properties. Details of the designated reserves can be found in notes 18 and 19. The Trustees continue to review the Charity's reserves.

Total Reserves at 31st March 2021 of £14,746,769 (Restated 2020: £14,195,053) comprising Restricted Reserves of £1,911,091 (Restated 2020: £1,885,314), Permanent Endowment Funds of £8,628,707 (Restated 2020: £8,528,456) and Unrestricted Reserves of £4,206,971 (Restated 2020: £3,781,283) including Designated Funds of £1,616,851 (Restated 2020: £1,361,494) including a grant reserve of £269,073, and maintenance reserves totaling £1,347,778.

The level of maintenance reserves is considered adequate to cover any such costs that are likely to be charged to the revenue account. General reserves amount to £2,590,120 (Restated 2020: £2,419,789) and are in place to ensure ongoing trading in the event of any material loss of income, and as a result of the need to build up liquidity to fund future capital costs of Planned Maintenance and expansion of our housing stock.

HOUSING PATHWAYS TRUST
ANNUAL REPORT OF THE TRUSTEE
FOR THE YEAR ENDED 31ST MARCH 2021

FINANCIAL REVIEW (continued)

Investment Policy

The investment policy lodged with Investec is to invest prudently in a broad range of fixed interest securities and equities, which are quoted on a Registered Investment Exchange, and unit trusts, within an agreed range of percentage holdings for each class of investment. Companies engaging in or earning more than 10% of their profits from "home collected credit" represent the only ethical restriction in force. The next annual review of the investment providers and investment product is planned to be undertaken by December 2021.

Risk Management

The major risks to which the Almshouse charities are exposed, as identified by the Trustees, are regularly reviewed. In addition, the Trustees has put in place systems, policies, and procedures to mitigate these risks once they are identified and assessed. All reports presented to Board and sub-committees include an executive summary of risk which cross refers to the risks identified in the key risks register.

The Key risks and uncertainties facing the charity cover several areas of operation and are controlled using procedures and sub-committee overview identifies further mitigations and the responsible manager. Key risk includes the long-term impact of the Covid-19 pandemic e.g. loss of income, residents' well-being. Other risks identified are breach of legislation or covenants, compliance failure, a build-up of arrears and misappropriation of funds through fraud.

The new regulation and legislation in response to the Grenfell fire will lead to further legislation which may well be costly for an organisation of Housing Pathways' size.

Fraud

The Board has a policy on fraud covering prevention, detection and reporting of fraud and the recovery of assets. The Chair and Vice Chair are notified immediately of any attempted fraud.

HOUSING PATHWAYS TRUST
ANNUAL REPORT OF THE TRUSTEE
FOR THE YEAR ENDED 31ST MARCH 2021

FINANCIAL REVIEW (continued)

Anti-bribery policy statement

We seek to maintain the highest standards of ethics and integrity in the way we conduct our business. We recognise that bribery and corruption in all its forms, is illegal and unacceptable. Our bribery policy statement has been integrated into our code of conduct and our gifts and hospitality policy, adopted by the Board, signed by the Chairman and Chief Executive. We expect our business partners to adopt a similar approach to bribery or corruption.

FUTURE PLANS

Our key priorities are to:

- Improve customer satisfaction and deliver value for money for our residents
- Carry out planned maintenance in our alms-houses in accordance with our stock condition survey and planned maintenance programme.
- To reduce our cost base and seek better Value for Money, which is seen as a sensible approach in what are generally uncertain economic times.

The Board is in the process defining its asset management strategy alongside its new business plan and asset management plan. We will continue to reduce our cost base and improve Value for Money in accordance with the standard whilst driving and improving performance against the seven key metrics year on year.

STATEMENT OF TRUSTEE RESPONSIBILITIES

Law applicable to charities in England and Wales and Registered Social Housing legislation requires the Trustee to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity at the year end and of the surplus or deficit of the charity for that period. In preparing those financial statements at the year end, the Trustee should follow best practice and:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue to operate.

The Trustee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Social Housing 2015. The Trustee is responsible for taking reasonable steps to safeguard the assets of the Charity and for the prevention and detection of fraud and other irregularities.

HOUSING PATHWAYS TRUST
ANNUAL REPORT OF THE TRUSTEE
FOR THE YEAR ENDED 31ST MARCH 2021

AUDITORS

Knox Cropper LLP have expressed their willingness to continue in office and a resolution for their reappointment will be proposed at the forthcoming Annual General Meeting.

The Board of Housing Pathways would like to record their particular appreciation of the assistance provided by Matthew Elkins and his colleagues at Knox Cropper.

TRUSTEE'S STATEMENT ON INTERNAL FINANCIAL CONTROLS

The Trustee acknowledges its ultimate responsibility for ensuring that Housing Pathways Trust has in place a system of controls that is appropriate to the various business environments in which it operates.

These controls are designed to give reasonable assurance with respect to:

- (a) the reliability of financial information used within the charity or for publication
- (b) the maintenance of proper accounting records, and
- (c) the safeguard of assets against unauthorized use or disposition

It is the Trustee's responsibility to establish and maintain systems of internal financial control. Such systems can only provide reasonable but not absolute assurance against material financial misstatement or loss. Key elements include ensuring that:

- (a) formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorized use of the charity's assets.
- (b) experienced and suitably qualified staff take responsibility for important business functions.
- (c) forecasts and budgets are prepared which allow the Trustee and management to monitor the key business risks and financial objectives and progress towards financial plans set for the year and medium term; regular management accounts are prepared promptly; providing relevant, reliable and up-to-date financial and other information and significant variance from budgets are investigated as appropriate.
- (d) all significant new initiatives, major commitments and investment projects are subject to formal authorization procedures, through relevant sub-committees comprising the Trustee and others.
- (e) the Trustee of Housing Pathways reviews reports from management and from external auditors to provide reasonable assurance that control procedures are in place and are being followed. This includes a general review of the major risks facing the charity.
- (f) the Trustee has reviewed the effectiveness of the system of internal financial controls in existence in the charity for the year ended 31st March 2021 and up to the date of this report. No weaknesses were found in internal financial controls which require disclosure in the financial statements or in the auditors' report in the financial statements.

HOUSING PATHWAYS TRUST
ANNUAL REPORT OF THE TRUSTEE
FOR THE YEAR ENDED 31ST MARCH 2021

CHAIRMAN'S REPORT

As a trust we are committed to serving our residents and local community in the best way possible. Over this last year we have had the challenge of the Covid Pandemic which has added to the already strong challenges facing the social housing sector. Even so we have continued to improve our properties, where possible and have continued to invest in our repairs and maintenance work.

Through our grants programme we have supported the businesses that are part of our family of properties and provided, support for both businesses and individuals who have found this last year particularly challenging. We are committed to continue to focus on our cost base and look at ways to reduce it to maximise the resources that are available to support our diverse business and charitable activities.

This last year has also seen some staff and board members change and we are very grateful for the superb staff team we have that continue to give Pathways a good name in the housing industry and provide a service to our community. One of our focusses going forward is to work to improve this even more.

The Board doesn't just look at the current situation but is also tasked with long term planning and we are very aware that more major investment will be required in the near future with the change in Government regulations around boiler use and the need to make properties as environmentally friendly as possible. Good investment in the past means that the Trust is well placed to manage some of these challenges.

I am therefore hugely grateful to every one of the staff and board members for their ongoing dedication and support.

Approved by the Board of Directors at its meeting on 16th September 2021 and signed on its behalf by:

M Melliush

Mark Melliush

Chair of Housing Pathways

HOUSING PATHWAYS TRUST
FOR THE YEAR ENDED 31ST MARCH 2021

Independent Auditor's Report to the Trustee of Housing Pathways Trust

Opinion

We have audited the financial statements of Housing Pathways Trust (the 'charity') for the year ended 31st March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st March 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011, the Housing and Regeneration Act 2008, and the Accounting Direction for Private Registered Providers of Social Housing 2019.

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 Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company'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 trustee is responsible for the other information.

Our opinion on the financial statements does not cover the other information and 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

HOUSING PATHWAYS TRUST
FOR THE YEAR ENDED 31ST MARCH 2021

Independent Auditor's Report to the Trustee of Housing Pathways Trust (continued)

Matters on which we are required to report by exception

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

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

Responsibilities of the trustee

As explained more fully in the trustee's responsibilities statement set out on page 15, the trustee is 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 trustee is 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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant are the Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Housing and Regeneration Act 2008 and the Accounting Direction for Social Housing in England 2019.
- The Charity is required to comply with charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.
- We understood how the charity is complying with those frameworks via communication with those charged with governance, together with the review of the charity's documented policies and procedures.
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements. These included risks associated with Revenue Recognition, Management Override of Controls, and the increased incentive and pressure to commit fraud due to the Covid-19 environment, which were discussed and agreed by the audit team.
- Our approach included agreeing the charity's recognition of income to the terms of the underlying grant agreements and associated correspondence, the review of journal entries processed in the accounting records and the investigation of significant and unusual transactions identified from our review of the accounting records.

HOUSING PATHWAYS TRUST

FOR THE YEAR ENDED 31ST MARCH 2021

Independent Auditor's Report to the Trustee of Housing Pathways Trust (continued)

- Our approach was also to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the directors with respect to the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the charity.

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

Use of our report

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



Knox Cropper LLP
Chartered Accountants and Statutory Auditors
65 Leadenhall Street
London EC3A 2AD

27/09/ 2021

Knox Cropper LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

HOUSING PATHWAYS TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2021

Notes	2021				2020			
	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Income from								
Donations and Grants	10,000	-	-	10,000	-	-	-	-
Charitable Activities								
2 <i>Almshouse Accommodation</i>	977,867	-	-	977,867	942,151	-	-	942,151
<i>Allotments</i>	22,644	-	-	22,644	22,603	-	-	22,603
Other Trading Activities	77,212	-	-	77,212	71,663	-	-	71,663
3								
Investments	348,839	5,329	648	354,816	388,646	7,702	305	396,653
4								
	1,436,562	5,329	648	1,442,539	1,425,063	7,702	305	1,433,070
Expenditure on								
Raising Funds	171,257	1,753	6,186	179,196	89,290	1,783	6,388	97,461
5								
Charitable Activities								
6 <i>Almshouse Accommodation</i>	796,146	35,964	134,634	966,744	808,661	35,964	155,304	999,929
<i>Allotments</i>	20,767	-	1,690	22,457	20,089	-	1,690	21,779
<i>Grant making</i>	144,921	-	478	145,399	110,846	-	478	111,324
	1,133,091	37,717	142,988	1,313,796	1,028,886	37,747	163,860	1,230,493
Gains/(losses) on Investments	442,739	58,165	117,069	617,973	(291,620)	(32,424)	(80,014)	(404,058)
15								
Net Income/(expenditure)	746,210	25,777	(25,271)	746,716	104,557	(62,469)	(243,569)	(201,481)
Actuarial (losses)/gains	(195,000)	-	-	(195,000)	167,502	-	-	167,502
Transfers between funds	(125,522)	-	125,522	-	(99,837)	-	99,837	-
19								
Net movement in funds	425,688	25,777	100,251	551,716	172,222	(62,469)	(143,732)	(33,979)
Funds brought forward 1st April 2020								
Originally stated	3,748,407	284,877	8,528,456	12,561,740	3,575,696	311,382	8,672,188	12,559,266
28 Prior year adjustment	32,876	1,600,437	-	1,633,313	33,365	1,636,401	-	1,669,766
As restated	3,781,283	1,885,314	8,528,456	14,195,053	3,609,061	1,947,783	8,672,188	14,229,032
Funds carried forward 31st March 2021	4,206,971	1,911,091	8,628,707	14,746,769	3,781,283	1,885,314	8,528,456	14,195,053

HOUSING PATHWAYS TRUST**BALANCE SHEET****FOR THE YEAR ENDED 31ST MARCH 2021**

	Notes	2021		2020 Restated	
		£	£	£	£
Fixed Assets					
Housing Properties	10		6,803,292		6,960,963
Investment Properties	11		4,048,000		4,048,000
Other Fixed Assets	12		1,401,885		1,421,586
Social Investments	14		-		-
Investments	15		3,667,656		3,004,130
			<u>15,920,833</u>		<u>15,434,679</u>
Current Assets					
Trade and Other Debtors	16	221,905		181,757	
Cash and Cash Equivalents		<u>636,441</u>		<u>531,703</u>	
		858,346		713,460	
Creditors: Amounts falling due within one year					
	17	<u>(372,415)</u>		<u>(384,580)</u>	
Net Current Assets					
			485,931		328,880
Creditors: Amounts falling due after more than one year					
	18		(1,407,995)		(1,476,506)
Provisions for liabilities	22		<u>(252,000)</u>		<u>(92,000)</u>
Net Assets					
			<u>£14,746,769</u>		<u>£14,195,053</u>
Funds					
Permanent Endowment	19		8,628,707		8,528,456
Restricted Funds	19		1,911,091		1,885,314
Unrestricted Funds	19		<u>4,206,971</u>		<u>3,781,283</u>
Total Funds			<u>£14,746,769</u>		<u>£14,195,053</u>

The financial statements were approved by the Trustee on 16th September 2021 and signed on it's behalf by:

M Melluish

Director

Mark Melluish (Chair)

M Doyle

Director

Matthew Doyle

HOUSING PATHWAYS TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2021

	Notes	2021 £	2020 Restated £
Net Cash generated from Operating Activities	A	170,908	297,266
Cash Flows from Investing Activities			
Capitalised works to existing housing properties		(42,790)	(50,729)
Purchase of other fixed assets		-	(1,269)
Rents and service charges from investment properties		136,866	308,376
Maintenance of investment properties		(99,280)	(116,752)
Proceeds from sale of investments		328,039	453,826
Additions to investments		(494,651)	(361,390)
Investment management fees		(21,437)	(20,834)
Investment income and bank interest received		94,681	121,084
Net Cash generated from/(used in) Investing Activities		<u>(98,572)</u>	<u>332,312</u>
Cash Flows from Financing Activities			
Interest paid		(33,436)	(50,279)
Repayment of Loans		(58,318)	(52,660)
Net Cash (used in)/generated from Financing Activities		<u>(91,754)</u>	<u>(102,939)</u>
Net Change in Cash and Cash Equivalents		(19,418)	526,639
Cash and Cash Equivalents at the beginning of the year		<u>757,349</u>	<u>230,710</u>
Cash and Cash Equivalents at the end of the year		<u>£737,931</u>	<u>£757,349</u>
A Cash Flows from Operating Activities			
Net Income/(Expenditure) for the year		746,716	(201,481)
Depreciation		221,345	227,156
Income from Investments		(354,816)	(396,653)
Interest Payable		33,436	50,279
Investment management fees		21,437	20,834
Expenditure on Investment Properties		157,759	76,627
Decrease/(Increase) in Debtors		4,409	42,089
Increase/(Decrease) in Creditors		(5,222)	69,836
(Decrease)/Increase in pension liability		(35,000)	(7,498)
Disposal of fixed assets		(1,183)	12,019
(Gains)/Losses on Investments		(617,973)	404,058
		<u>£170,908</u>	<u>£297,266</u>
B Cash and Cash Equivalents			
Bank Balances		636,441	531,703
Investment Managers Cash		101,490	225,646
		<u>£737,931</u>	<u>£757,349</u>

HOUSING PATHWAYS TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2021

Reconciliation of Net Debt

	At 01.04.20 £	Cash Flows £	At 31.03.21 £
Cash and Cash equivalents	757,349	(19,418)	737,931
Loans falling due within one year	(52,277)	(1,723)	(54,000)
Loans falling due after more than one year	(1,397,130)	60,041	(1,337,089)
Total	<u>£(692,058)</u>	<u>£38,900</u>	<u>£(653,158)</u>

HOUSING PATHWAYS TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

1. Accounting Policies

(a) Status

Housing Pathways Trust is an unincorporated charity registered in England and Wales, registration number 211053. The principal office address is disclosed on page 1 of the annual report. The presentational currency is the Pound Sterling (£).

(b) Basis of Accounting and Assessment of Going Concern:

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities, in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (second edition issued in October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The accounts comply with the Charities Act 2011, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing in England 2019. The accounts are prepared on the historical cost basis of accounting unless otherwise stated in the relevant accounting policy.

The Charity constitutes a public benefit entity as defined by FRS 102. The Trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern.

(c) Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Income from Almshouse Accommodation represents weekly maintenance and service contributions receivable from residents.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends and interest and rents and service charges from investment properties. The Trustee considers it is not practical to identify investment management costs incurred within collective investment schemes managed by M&G and CCLA with reasonable accuracy and thus the investment income is reported net of these costs. Interest income is recognised using the effective interest method and dividend income is recognised as the Charity's right to receive payment is established.

Social Housing Capital grants are recognised only when receivable, or in the period in which a scheme is completed where the amount of the grant has been determined. Grants are reflected in the Fixed Asset Fund.

(d) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

HOUSING PATHWAYS TRUST**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31ST MARCH 2021****1. Accounting Policies (continued)****(e) Housing Properties**

Housing properties are measured at cost less accumulated depreciation and impairment losses. For housing properties acquired before 1st April 1978, market value as at that date is deemed to be cost. All subsequent acquisitions of housing properties or improvements to existing stock are measured at cost.

The cost of completed housing properties (net of the cost of land) is depreciated over the useful life of the properties. Properties are accounted for on a component cost basis with each component being depreciated over its estimated economic life. The principal components identified, and the depreciation rate applied to each component are set out below:

Land	-	not depreciated
Main fabric	-	Over 70 years
Roof structure and covering	-	Over 70 years
Windows & external doors	-	Over 30 years
Gas boilers	-	Over 15 years
Kitchen	-	Over 20 years
Bathrooms/WCs	-	Over 30 years
Mechanical systems	-	Over 30 years
Electrics	-	Over 40 years
Fire alarms/warden call	-	Over 15 years

(f) Investment Properties

The Ealing Green properties are measured at fair value at the balance sheet date. These properties are held for rental and are reflected under other Fixed Assets, as distinct from Social Housing Properties. In accordance with FRS102, no depreciation is charged on the investment properties.

(g) Other Fixed Assets

Allotment land is measured at cost, being previous GAAP revaluations of £390,000 for Northfield Allotment and £355,000 for Haslemere Allotment taken as deemed cost on transition to FRS102. Improvements to the allotment sites are measured at cost less accumulated depreciation. Fixtures, fittings, and equipment are stated at cost less accumulated depreciation. Office property is held for the use of the charity and the other charities of which the trustee, Housing Pathways, is also trustee and is measured at cost less accumulated depreciation.

Depreciation is charged in a straight line basis over the expected useful lives of the assets, at the following annual rates:

2%	- Allotment Fencing
10%	- Furniture & Fittings
33⅓%	- Computer Equipment

The Office Property is depreciated on a component basis using the same rates as applied to the Housing Properties.

(h) Investments

Fixed asset investments are a form of basic financial instrument are initially recognised at their transaction value and subsequently measured at their fair value using the closing quoted market price or the share of the Net Asset Value of the fund (if unlisted). All gains and losses are taken to the Statement of Financial Activities as they arise. The Statement of Financial Activities includes all net gains and losses arising on revaluation and disposals throughout the year.

(i) Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

HOUSING PATHWAYS TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2021

1. Accounting Policies (continued)

(j) Cash at bank and in hand

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

(k) Creditors

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

(l) Financial Instruments

The Charity only holds basic financial instruments. The financial assets and financial liabilities of the Charity are as follows:

Debtors – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 16. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Liabilities – trade creditors and bank loans are classified as financial instruments and are measured at amortised cost as detailed in Notes 17 & 18.

(m) Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustee for a specific purpose. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for a specific purpose. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Permanent endowment funds are restricted capital funds where there is no power to convert the original capital to income. Expendable endowment funds represent sums which the Trustees intend to retain intact but can if necessary be used in furtherance of the Charity objectives subject to any restrictions imposed by the donor.

(n) Taxation

As a non-profit making body, the charity believes that it is exempt from all forms of taxation other than value added tax (VAT). The charity partially makes taxable supplies of services and is only able to recover input tax, where this is charged, on items of expenditure relating to these supplies.

(o) Pension Costs

The Charity participates in a multi-employer defined benefit pension scheme providing benefits based on final pensionable pay. This is a funded scheme, and the assets are held separately from those of the charity in separate trustee administered funds.

Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities.

HOUSING PATHWAYS TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

1. Accounting Policies (continued)

The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/expenditure are the current service costs and gains and losses on settlements and curtailments together with any change in the net defined benefit liability arising from employee service. They are included as part of staff costs. Net interest on the defined benefit liability is shown as a cost in the support cost. The remeasurement of the defined benefit liability is also reported in the statement of financial activities within other gains and losses and is shown in more detail in Note 21 to the accounts.

(p) Significant Management Judgements and Estimation Uncertainties

The following are the critical judgements and key sources of estimation uncertainty that the Board has made in the process of applying the charity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Fair value of Investment Properties

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in the Statement of Financial Activities. The Trustee assesses the fair value of the investment properties based on recent market values. In determining the fair value on this basis, the valuation remains sensitive to fluctuations in the property market.

Identification of housing property components

The charity accounts for its expenditure on housing properties using component accounting. Under component accounting, the housing property is divided into those major components which are considered to have substantially different useful economic lives. Judgement is used in allocating property costs between components (land, structure, kitchens, bathrooms etc) and in determining the useful economic lives of each component.

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

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based on the expected utility of the assets. Uncertainties in these estimates relate to changes to decent homes standard requiring frequent replacement of components.

Bad debt provision

A full line by line review of trade debtors is carried out at the end of each month. Whilst every attempt is made to ensure that the bad debt provisions are as accurate as possible, there remains a risk that the provisions do not match the level of debts which ultimately prove to be uncollectible.

Defined Benefit Pension Scheme

As stated in Note 21, the Charity participates in a multi-employer defined benefit pension scheme. The value of the Charity's share of the net deficit in the scheme is sensitive to fluctuations in bond yields and other actuarial assumptions as detailed in Note 22.

HOUSING PATHWAYS TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

2. Income from Charitable Activities	2021	2020
	£	Restated £
<i>Almshouse Accommodation</i>		
Maintenance contributions	844,819	810,850
Services contributions	133,048	131,301
	<u>977,867</u>	<u>942,151</u>
<i>Allotments</i>		
Allotment rents	22,644	22,603
	<u>£1,000,511</u>	<u>£964,754</u>
3. Income from Other Trading Activities		
Private Lets	<u>£77,212</u>	<u>£71,663</u>
Private let income represents the income derived from certain properties within the Charity's almshouse estate which are temporarily let on short-term licenses at market rates.		
4. Income from Investments		
<i>Investment Property</i>		
Rent receivable	218,194	235,064
Ground rent receivable	3,950	3,950
Service charges receivable	34,894	36,555
	<u>257,038</u>	<u>275,569</u>
Investment Income & Bank Interest	97,778	121,084
	<u>£354,816</u>	<u>£396,653</u>
5. Raising Funds	2021	2020
	£	Restated £
Investment management fees	21,437	20,834
<i>Investment property costs</i>		
Management & support costs	53,199	80,294
Maintenance	46,081	36,458
Bad debts	58,479	(40,125)
	<u>£179,196</u>	<u>£97,461</u>

HOUSING PATHWAYS TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

6. Charitable Activities

	2021	2020
	£	Restated £
<i>Almshouse Accommodation</i>		
Management & support costs	357,503	402,592
Services	127,174	140,429
Maintenance	260,887	210,222
Depreciation	202,518	208,330
Disposals	(1,183)	12,019
Bad debts	-	-
Interest payable	19,845	26,337
	<u>966,744</u>	<u>999,929</u>
<i>Allotments</i>		
Management	9,415	7,632
Depreciation	1,194	1,194
Maintenance	-	-
Support costs	11,848	12,953
	<u>22,457</u>	<u>21,779</u>
<i>Grant-making</i>		
Grants awarded	120,188	94,251
Grants officer costs	14,222	4,582
Reversal of impairment of concessionary loan	(436)	-
Support costs	11,425	12,491
	<u>145,399</u>	<u>111,324</u>
	<u>£1,134,600</u>	<u>£1,133,032</u>

7. Support Costs

	2021	2020
	£	Restated £
Staff costs	278,659	259,753
Administration	88,739	120,219
Depreciation of office property	17,634	17,634
Professional fees	(5,943)	(1,157)
Bank charges and sundries	602	147
Loan interest	13,591	17,942
Pension costs and interest	4,959	6,000
Irrecoverable VAT	22,462	16,876
Governance costs	9,000	12,240
	<u>£429,703</u>	<u>£449,654</u>

Included within Governance Costs is auditor's remuneration for the audit of the financial statements amounting to £9,000 (2020: £9,300) and for non-audit services of £Nil (2020: £2,940). Excluding VAT these amounts are £7,500 and £Nil (2020: £7,750 and £2,450).

HOUSING PATHWAYS TRUST**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31ST MARCH 2021****8. Staff Costs**

All employees are jointly employed by Housing Pathways and the charities of which it is trustee, and their costs are recharged across the charities on a set basis reviewed annually. The proportion of staff costs charged to the Charity is as follows:

	2021	2020
	£	£
Wages and salaries	205,486	203,655
Social security costs	17,707	19,722
Pension costs	9,008	8,751
Redundancy	30,862	-
Off-payroll contractors	26,506	27,625
	<u>£289,569</u>	<u>£259,753</u>

The average weekly numbers of full-time equivalent employees during the year was 10 (2020: 10) and the average number of employees was 11 (2020: 10). The proportion of remuneration payable to key management personnel for their services to the Charity amounted to £120,485 (2020: £127,331).

The number of staff whose total remuneration payable by the group fell in the band £60,000 to £70,000 was nil (2020: nil), in the band £70,000 to £80,000 was nil (2020: nil), in the band £80,000 to £90,000 was nil (2020: one), and in the band £90,000 to £100,000 was one (2020: nil).

9. Social Housing Lettings – Sheltered Housing

Maintenance contributions	844,819	810,850
Service charges receivable	133,048	131,301
Turnover from Social Housing Letting	<u>977,867</u>	<u>942,151</u>
Management	357,503	403,466
Services	127,174	140,429
Routine and Cyclical Maintenance	260,887	210,222
Property Depreciation	201,644	206,853
Operating costs of Social Housing Lettings	<u>(947,208)</u>	<u>(960,970)</u>
Gain/(Loss) on replacement of components	1,183	(12,019)
Operating surplus/(deficit) on Social Housing Lettings	<u>£31,842</u>	<u>£(30,838)</u>
Void Losses	<u>£15,926</u>	<u>£12,149</u>

HOUSING PATHWAYS TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

10. Fixed Assets Housing Properties

	2021	2020
	Total	Restated
	£	Total
		£
Cost		
As at 1st April 2020	8,790,835	8,752,125
Works to existing properties	42,790	50,729
Disposals	<u>(7,180)</u>	<u>(12,019)</u>
As at 31st March 2021	<u>8,826,445</u>	<u>8,790,835</u>
Depreciation		
As at 1st April 2020	1,829,872	1,623,019
Adjustment		-
Charge for the year	201,644	206,853
Disposals	<u>(8,363)</u>	<u>-</u>
As at 31st March 2021	<u>2,023,153</u>	<u>1,829,872</u>
Net Book Value at 31st March 2021	<u>£6,803,292</u>	<u>£6,960,963</u>

All Properties are Freehold Properties except for two properties held on long leaseholds (cost £362,711 accumulated depreciation £50,178).

11. Investment Properties

	Ealing Green	Total
	£	£
Fair Value		
As at 1st April 2020	4,048,000	4,048,000
Additions	-	-
Movement in fair value	-	-
As at 31st March 2021	<u>4,048,000</u>	<u>4,048,000</u>
Net Book Value		
At 31st March 2021	<u>£4,048,000</u>	<u>£4,048,000</u>
At 31st March 2020	<u>£4,048,000</u>	<u>£4,048,000</u>

The Investment properties were valued by Willmotts at £4,048,000 as at 31st March 2016.

HOUSING PATHWAYS TRUST**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31ST MARCH 2021****12. Other Fixed Assets**

	Allotments £	Fixtures, Fittings & Equipment £	Office £	Total £
Cost				
As at 1st April 2020	798,881	8,732	679,846	1,487,459
Additions	-	-	-	-
Disposals	-	-	-	-
As at 31st March 2021	<u>798,881</u>	<u>8,732</u>	<u>679,846</u>	<u>1,487,459</u>
Depreciation				
As at 1st April 2020	8,786	4,182	52,905	65,873
On disposals	-	-	-	-
Charge for the year	1,194	873	17,634	19,701
As at 31st March 2021	<u>9,980</u>	<u>5,055</u>	<u>70,539</u>	<u>85,574</u>
Net Book Value				
At 31st March 2021	<u>£788,901</u>	<u>£3,677</u>	<u>£609,307</u>	<u>£1,401,885</u>
At 31st March 2020	<u>£790,095</u>	<u>£4,550</u>	<u>£626,941</u>	<u>£1,421,586</u>

13. Capital Grants

	2021 £	2020 Restated £
Aggregate amount received		
At 1st April 2020 and 31st March 2021	<u>£2,519,492</u>	<u>£2,519,492</u>
Released to Statement of Financial Activities		
At 1st April 2020 and 31st March 2021	<u>£2,519,492</u>	<u>£2,519,492</u>
Social Housing Grant Carrying Value	<u>£ -</u>	<u>£ -</u>

HOUSING PATHWAYS TRUST**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31ST MARCH 2021****14. Social Investments**

	2021	2020
	£	Restated £
Concessionary loans		
At 1st April 2020	-	-
Repayments in the year	(436)	-
Reversal of impairment	436	-
At 31st March 2021	<u>£ -</u>	<u>£-</u>

Concessionary loans comprise an interest-free loan made to Cultivate London Ltd in 2012. The loan was fully impaired in the year it was granted. The amount outstanding at 31st March 2021 is £49,824 (2020: £50,260).

15. Fixed Asset Investments

	2021			2020
	Unrestricted	Grassroots	Total	Total
	£	£	£	£
Fair Value				
At 1st April 2020	2,574,559	203,925	2,778,484	3,274,978
Additions	474,054	23,694	497,748	361,390
Disposals	(306,339)	(21,700)	(328,039)	(453,826)
Realised gains/(losses)	4,328	3,846	8,174	28,254
Unrealised gains/(losses)	559,479	54,320	609,799	(432,312)
At 31st March 2021	<u>3,302,081</u>	<u>264,085</u>	<u>3,566,166</u>	<u>2,778,484</u>
Cash Deposits	78,779	22,711	101,490	225,646
	<u>£3,380,860</u>	<u>£286,796</u>	<u>£3,667,656</u>	<u>£3,004,130</u>
Fixed Interest	337,384	20,824	358,208	372,093
Equities and Unit Trust	2,605,205	226,911	2,832,116	2,225,956
Property	159,492	16,350	175,842	180,435
Cash	278,779	22,711	301,490	225,646
	<u>£3,380,860</u>	<u>£286,796</u>	<u>£3,667,656</u>	<u>£3,004,130</u>

16. Debtors

	2021	2020
	£	Restated £
Residents' Contributions	24,358	31,055
Provision for Doubtful Debts	(5,090)	(5,090)
	<u>19,268</u>	<u>25,965</u>
Tenants Contributions and Deposits	165,289	120,732
Prepayments and accrued income	37,348	31,526
Connected parties:		
- Pathways Jubilee Charity	-	3,534
	<u>£221,905</u>	<u>£181,757</u>

HOUSING PATHWAYS TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

17. Creditors: Amounts falling due within one year

	2021	2020
	£	Restated £
Trade Creditors	34,976	33,943
VAT	29,500	20,523
Connected parties:		
Housing Pathways	7,135	40,808
Almshouse & Eleemosynary Charity	34,061	21,103
Loans	54,000	52,277
Grants payable	42,105	28,206
Deferred income	68,038	78,154
Accrued expenses	102,600	109,566
	<u>£372,415</u>	<u>£384,580</u>

The two loans are with CAF Bank which are secured by a first legal charge on the properties at 1-57 Dean Court, Ealing. The loans have a term of 21 years, at an interest rate of 2.25% over base.

18. Creditors: Amounts falling due outside one year

Grants payable	8,550	10,000
Tenant deposits	62,356	69,376
Loans (Note 15)	1,337,089	1,397,130
	<u>£1,407,995</u>	<u>£1,476,506</u>

HOUSING PATHWAYS TRUST**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31ST MARCH 2021****19. Funds - Restated**

	Balance at 1 April 2020 £	Income £	Expenditure £	Gains/(losses) on investments £	Other gains /(losses) £	Transfers £	Balance at 31 March 2021 £
Unrestricted Funds							
General Funds	2,419,789	1,399,270	(1,125,335)	216,918	(195,000)	(125,522)	2,590,120
<i>Designated Funds</i>							
Grants Reserve	269,073	-	-	-	-	-	269,073
Cyclical Repairs and Maintenance Reserve	145,580	4,960	(1,032)	29,746	-	-	179,254
Extraordinary Repairs Reserve	946,841	32,332	(6,724)	196,075	-	-	1,168,524
	3,781,283	1,436,562	(1,133,091)	442,739	(195,000)	(125,522)	4,206,971
Restricted Funds							
Fixed Asset Fund	1,600,437	-	(35,964)	-	-	-	1,564,473
Grassroots Fund	284,877	5,329	(1,753)	58,165	-	-	346,618
	1,885,314	5,329	(37,717)	58,165	-	-	1,911,091
Endowment Funds							
Permanent Endowment	8,528,456	648	(142,988)	117,069	-	125,522	8,628,707
	£14,195,053	£1,442,539	£(1,313,796)	£617,973	£(195,000)	£ -	£14,746,769
	Balance at 1 April 2019 £	Income £	Expenditure £	Gains/(losses) on investments £	Other gains /(losses) £	Transfers £	Balance at 31 March 2020 £
Unrestricted Funds							
General Funds	2,135,480	1,379,343	(1,020,975)	(141,724)	167,502	(99,837)	2,419,789
<i>Designated Funds</i>							
Grants Reserve	269,073	-	-	-	-	-	269,073
Cyclical Repairs and Maintenance Reserve	196,375	6,093	(1,052)	(55,836)	-	-	145,580
Extraordinary Repairs Reserve	1,008,133	39,627	(6,859)	(94,060)	-	-	946,841
	3,609,061	1,425,063	(1,028,886)	(291,620)	167,502	(99,837)	3,781,283
Restricted Funds							
Fixed Asset Fund	1,636,401	-	(35,964)	-	-	-	1,600,437
Grassroots Fund	311,382	7,702	(1,783)	(32,424)	-	-	284,877
	1,947,783	7,702	(37,747)	(32,424)	-	-	1,885,314
Endowment Funds							
Permanent Endowment	8,672,188	305	(163,860)	(80,014)	-	99,837	8,528,456
	£14,229,032	£1,433,070	£(1,230,493)	£(404,058)	£167,502	£ -	£14,195,053

HOUSING PATHWAYS TRUST**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31ST MARCH 2021****19. Funds****Designated Funds***Extraordinary Repair Fund*

The Charity maintains an Extraordinary Repair Fund which is sufficient for the purpose of providing for extraordinary repair, improvement, or rebuilding of the almshouses. With the advent of component accounting, major repairs are usually capitalised. The level of the reserve is considered adequate to cover any such costs that are likely to be charged to the revenue account.

Cyclical Repairs and Maintenance Reserve

This fund is based on the charity's obligation to provide on a continuing basis for the repair and maintenance of their properties based on a planned programme of works and is considered adequate.

Restricted Funds*Grassroots Fund*

The Charity set up a restricted fund called the Grassroots Endowment, to ensure the Grassroots project was sustained beyond 2011, when Government funding ceased. Income for the Fund is invested separately, and the balance held as a separate fund.

Fixed Assets Fund

The Fixed Assets Fund represents the proportion of housing properties funded by social housing grant, less the accumulated depreciation attributable to that element of the cost. Social housing grants may be repayable if the charity sells a property or ceases to use it for a qualifying purpose.

Endowment Funds*Permanent Endowment*

Under a Charity Commission Scheme dated 18th May 2000 as amended, the four predecessor charities were amalgamated to form the Ealing and Brentford Consolidated Charity which became Housing Pathways Trust in 2012. Under the terms of the Scheme, Housing Pathways Trust activity was classified into four branches and the Scheme specifically refers to the assets which represented each branch's permanent endowment and expendable endowment.

20. Net Assets and Funds by Branch

	Branch 1	Branch 2	Branch 3	Branch 4	Restricted	Total
	£	£	£	£	£	£
Properties	6,803,292	-	-	-	-	6,803,292
Investment						
Properties	2,024,000	2,024,000	-	-	-	4,048,000
Other Fixed Assets	1,401,885	-	-	-	-	1,401,885
Investments	2,470,142	279,458	626,738	4,522	286,796	3,667,656
Net Current						
Assets/ (Liabilities)	(107,407)	554,487	(21,299)	328	59,822	485,931
Creditors Due						
Outside One Year	(1,376,817)	(31,178)	-	-	-	(1,407,995)
Provisions for						
Liabilities	(252,000)	-	-	-	-	(252,000)
	<u>£10,963,095</u>	<u>£2,826,767</u>	<u>£605,439</u>	<u>£4,850</u>	<u>£346,618</u>	<u>£14,746,769</u>
Permanent						
Endowment	5,790,274	2,353,198	482,349	2,886	-	8,628,707
Restricted Funds	1,564,473	-	-	-	346,618	1,911,091
Designated Funds	1,472,502	144,349	-	-	-	1,616,851
Unrestricted Funds	2,135,846	329,220	123,090	1,964	-	2,590,515
	<u>£10,963,095</u>	<u>£2,826,767</u>	<u>£605,439</u>	<u>£4,850</u>	<u>£346,618</u>	<u>£14,746,769</u>

HOUSING PATHWAYS TRUST**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31ST MARCH 2021****21. Net Assets by Funds**

	Permanent Endowment	Restricted Funds	Unrestricted Funds	2021 Total
	£	£	£	£
Housing Properties	3,759,155	1,564,473	1,479,664	6,803,292
Investment Properties	4,048,000	-	-	4,048,000
Other Fixed Assets	1,398,208	-	3,677	1,401,885
Investments	693,763	286,796	2,687,097	3,667,656
Net Current Assets/(Liabilities)	66,670	59,822	359,439	485,931
Creditors Due Outside One Year	(1,337,089)	-	(70,906)	(1,407,995)
Provisions for Liabilities	-	-	(252,000)	(252,000)
	<u>£8,628,707</u>	<u>£1,911,091</u>	<u>£4,206,971</u>	<u>£14,746,769</u>

	Permanent Endowment	Restricted Funds	Unrestricted Funds	2020 Restated Total
	£	£	£	£
Housing Properties	3,812,089	1,600,437	1,548,437	6,960,963
Investment Properties	4,048,000	-	-	4,048,000
Other Fixed Assets	1,417,036	-	4,550	1,421,586
Investments	580,068	230,333	2,193,729	3,004,130
Net Current Assets/(Liabilities)	68,393	54,544	205,943	328,880
Creditors Due Outside One Year	(1,397,130)	-	(79,376)	(1,476,506)
Provisions for Liabilities	-	-	(92,000)	(92,000)
	<u>£8,528,456</u>	<u>£1,885,314</u>	<u>£3,781,283</u>	<u>£14,195,053</u>

HOUSING PATHWAYS TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2021

22. Pension Obligations

Housing Pathways Trust participates in the Social Housing Pension scheme, (SHPS) a multi-employer scheme which provides benefits to some 500 non-associated employers. The scheme is a defined benefit scheme in the UK administered by TPT Retirement Solutions ('TPT').

The scheme is classified as a 'last-man standing arrangement'. Therefore, Housing Pathways Trust is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

Present Values of Defined Benefit Obligation, Fair Value of Assets and Defined Benefit Asset/(Liability)

	2021	2020
	£	£
Fair value of plan assets	1,100,000	997,000
Present value of defined benefit obligation	(1,352,000)	(1,089,000)
Surplus/(deficit) in plan	(252,000)	(92,000)

Reconciliation of opening and closing balances of the Defined Benefit Obligation

	2021	2020
	£	£
Defined benefit obligation at start of period	1,289,000	1,206,000
Current service cost	6,000	32,000
Expenses	3,000	3,000
Interest expense	26,000	28,000
Contributions by plan participants	4,000	7,000
Actuarial losses/(gains) due to scheme experience	(24,000)	(6,000)
Actuarial losses/(gains) due to changes in demographic assumptions	5,000	(10,000)
Actuarial losses/(gains) due to changes in financial assumptions	272,000	(39,000)
Benefits paid and expenses	(29,000)	(32,000)
Defined benefit obligation at end of period	1,352,000	1,089,000

Reconciliation of opening and closing balances of the Fair Value of Plan Assets

	2021	2020
	£	£
Fair value of plan assets at start of period	997,000	939,000
Interest income	24,000	22,000
Experience on plan assets	58,000	13,000
Contributions by the employer	46,000	48,000
Contributions by plan participants	4,000	7,000
Benefits paid and expenses	(29,000)	(32,000)
Fair value of plan assets at end of period	1,100,000	997,000

The actual return of the plan assets (including any changes in share of assets) over the period ended 31 March 2021 was £82,000.

HOUSING PATHWAYS TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

22. Pension Obligations (continued)

Defined Benefit costs recognised in Net Income/(Expenditure)

	2021	2020
	£	£
Current service cost	6,000	32,000
Expenses	3,000	3,000
Net interest expense	2,000	6,000
	<u>11,000</u>	<u>41,000</u>

Defined Benefit costs recognised in Other Gains and Losses

	2021	2020
	£	£
Experience on plan assets	58,000	13,000
Experience gains and losses arising on the plan liabilities	24,000	6,000
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation	(5,000)	10,000
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation	(272,000)	139,000
Actuarial (loss)/gain recognised in other recognised gains/(losses)	<u>(195,000)</u>	<u>168,000</u>

HOUSING PATHWAYS TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

22. Pension Obligations (continued)

Assets	2021 (£000s)	2020 (£000s)
Global Equity	175	146
Absolute Return	61	52
Distressed Opportunities	32	19
Credit Relative Value	35	27
Alternative Risk Premia	41	70
Fund of Hedge Funds	-	1
Emerging Markets Debt	44	30
Risk Sharing	40	34
Insurance-Linked Securities	26	31
Property	23	22
Infrastructure	73	74
Private Debt	26	20
Opportunistic Illiquid Credit	28	24
High Yield	33	-
Opportunistic Credit	30	-
Corporate Bond Fund	65	57
Liquid Credit	13	-
Long Lease Property	22	17
Secured Income	46	38
Liability Driven Investment	280	331
Net Current Assets	7	4
Total Assets	<u>1,100</u>	<u>997</u>

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

Key Assumptions	2021 % per annum	2020 % per annum
Discount Rate	2.18	2.37
Inflation (RPI)	3.27	2.60
Inflation (CPI)	2.87	1.60
Salary Growth	3.87	2.60
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31st March 2021 imply the following life expectancies:

	Life expectancy at age 65 (Years)
Male retiring in 2021	21.6
Female retiring in 2021	23.5
Male retiring in 2041	22.9
Female retiring in 2041	25.1

HOUSING PATHWAYS TRUST**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31ST MARCH 2021****23. Capital Commitments**

At 31st March 2021 there were no commitments in relation to the refurbishment of the charity's properties or otherwise.

24. Contingent Liabilities

There were no contingent liabilities at 31st March 2021 or 31st March 2020, other than that of the potential employer debt on the Pension Scheme (Note 22).

25. Housing Stock

The number of units of housing owned by the Charity at 31st March 2021 and 31st March 2020 were:

	Units Under Ownership	
	2021	2020
Social Housing Accommodation		
Sheltered Housing	132	132
Units let privately	<u>6</u>	<u>6</u>

26. Related Parties

Housing Pathways is the Corporate Trustee of Housing Pathways Trust and acts as the paymaster for employees jointly employed by the Pathways charities.

In the year ended 31st March 2021 the Trust was allocated staff costs of £278,659 (2020: £259,753). Housing Pathways provides full administrative services to the charity and charged £88,739 (2020: £120,219) to the Charity.

At 31st March 2021 the Trust owed £7,135 (2020: £40,808) to Housing Pathways and £Nil (2020: £3,534) to The Pathways Jubilee Charity.

At 31st March 2021 the Trust owed £34,061 (2020: £21,103) to Almshouse and Eleemosynary Charity, a charity of which Housing Pathways is Corporate Trustee. Housing Pathways Trust also paid for the insurance of the housing properties of Almshouse and Eleemosynary Charity for which no recharge was made.

Housing Pathways, and the other charities of which it is trustee, operate from office premises owned by Housing Pathways Trust, for which no rent is charged.

27. Ultimate Parent Undertaking and Consolidated Accounts

Housing Pathways, the corporate trustee, is considered to be the ultimate parent undertaking of the charity. The other entities in the group are as follows:

- Housing Pathways
- Pathways Jubilee Charity (Registered Provider)
- King George V Memorial Houses (Registered Provider)
- Almshouse and Eleemosynary Charity
- The Educational Foundation of Francis Courtney

HOUSING PATHWAYS TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

28. Prior Year Adjustment

1) SORP

The Charity previously prepared its financial statements in accordance with the Housing SORP. During the year it was identified that because the charity's activities are not governed by the Landlord and Tenant Act 1985 it should instead be applying the Charities SORP. The Charities SORP requires all government grants to be recognised using the performance model, whereas the Housing SORP required government grants related to housing properties measured at cost to be recognised using the accrual model. As a result, the change in applicable SORP necessitated a change in accounting policy. The financial statements have therefore been restated as if this new accounting policy had always been in place.

The effect of the restatement at the start of the comparative year (1 April 2019) was to reduce creditors due within one year by £35,964 and reduce creditors due in more than one year by £1,600,437 and increase restricted funds by £1,636,401. Income and the net result for the year ended 31 March 2020 were reduced by £35,964. At 31 March 2020, creditors due within one year were reduced by £35,964, creditors due in more than one year were reduced by £1,564,473, and restricted funds were increased by £1,600,437.

2) Allotments

The Charity receives an additional sum from the plot holders at one of its allotment holders to cover the cost of the Charity providing and maintaining fencing around the site. Previously, these contributions were accounted for as creditors rather than income. As the impact on the financial statements was significant, this has been corrected via prior year adjustment.

The effect of the restatement at the start of the comparative year (1 April 2019) was to reduce creditors due within one year by £14,364 and increase unrestricted funds by £14,364. Income and the net result for the year ended 31 March 2020 were increased by £2,455. At 31 March 2020, creditors due within one year were reduced by £16,819 and unrestricted funds increased by £16,819.

3) Depreciation

The Charity identified errors in past years in its calculation of fixed asset depreciation and disposals relating to various properties. As the impact on the financial statements was significant, this has been corrected via prior year adjustment.

The effect of the restatement at the start of the comparative year (1 April 2019) was to increase fixed asset housing properties by £19,001 and increase unrestricted funds by £19,001. Expenditure was reduced and the net result for the year ended 31 March 2020 increased by £2,946. At 31 March 2020, fixed asset housing properties were increased and unrestricted funds increased by £16,055.

Signature: M Melluish
Mark Melluish (Sep 23, 2021 16:10 GMT+1)

Email: mark.melluish@yourpathways.org.uk

Signature: Matthew Doyle
Matthew Doyle (Sep 24, 2021 10:03 GMT+1)

Email: matthew.doyle@yourpathways.org.uk

