

**HOUSING PATHWAYS TRUST**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

**Social Housing Regulator No. A0376**

**Charity Registered No. 211053**

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

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**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 18<sup>th</sup> 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 24<sup>th</sup> March 2011 and as amended by a further Scheme issued on the 5<sup>th</sup> January 2012.

On 1<sup>st</sup> 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 1<sup>st</sup> 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 Melluish	Ex-Officio, Chair
Ms Isabella Rossi	
Mr Matthew Doyle	Retired 16 <sup>th</sup> October 2023
Ms Andrea Joseph	
Mr Joshua Reddaway	
Mr Andrew Jefford	Retired 14 <sup>th</sup> March 2023
Ms Fiona Howie	Appointed 13 <sup>th</sup> July 2023
Ms Tycia Riley	Appointed 13 <sup>th</sup> July 2023
Ms Alison Pegg	Appointed 9 <sup>th</sup> 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.

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**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 1<sup>st</sup> 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



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	<ul style="list-style-type: none"> <li>• Providing group support, psycho-educational courses, workshops, information &amp; resources and one to one work for women and men who have been abused as children.</li> <li>• Offering training, workshops and seminars to the partners, carers and families of men and women who have been sexually abused.</li> <li>• Increasing public awareness on issues relating to sexual abuse of men and women as children.</li> </ul>	
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

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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.

<b>Church Community</b>	<b>Project</b>	<b>Amount</b>
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

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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
	<b>TOTAL APPROVED</b>	<b>£17,582</b>

### **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.

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### 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 objectives it 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.

#### 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.

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**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 3<sup>rd</sup> 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

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

**Value for Money Key Metrics**

	<b>HfOP peer group 2023-24</b>	<b>Housing Pathways Trust</b>
<b>1. Reinvestment %</b> Considers the investment in properties (existing stock as well as new supply) as a percentage of the value of total properties held.	3.10%	3.81%
<b>2. New Supply Delivered %</b> 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%
<b>3. Gearing %</b> Assesses how much of the adjusted assets are made up of debt and the degree of dependence on debt finance.	7.842%	(3.89)%
<b>4. Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs Included (EBITDA MRI) Interest Cover %.</b> A key indicator for liquidity and investment capacity. Measures the level of surplus generated compared to interest payable	319.02%	104%
<b>5. Social Housing Cost Per Unit</b> The headline social housing cost per unit as defined by the Regulator	£6915	£8,426
<b>6. Operating Margin%</b> 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	10.9%  0.7%	(9.66)%  0.7%
<b>7. ROCE %</b> Compares the operating surplus to total assets less current liabilities. An assessment of the efficient investment of capital resources.	2.2%	(0.07)%

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**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 31<sup>st</sup> 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](http://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 £
<b>Income from</b>								
Donations and Grants	2,320	-	-	2,320	2,000	-	-	2,000
Charitable Activities								
<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	210,111	-	-	210,111	224,746	-	-	224,746
Investments	445,657	8,632	-	454,289	409,141	8,090	-	417,231
Other	-	-	-	-	-	-	-	-
	2,502,178	8,632	-	2,510,810	2,411,017	8,090	-	2,419,107
<b>Expenditure on</b>								
Raising Funds	202,029	1,929	5,659	209,617	109,934	1,921	5,635	117,490
Charitable Activities								
<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
	2,098,307	85,295	322,765	2,506,367	1,782,477	87,201	285,561	2,155,239
Gains/(losses) on investments	206,070	12,915	38,870	257,855	(192,916)	(13,075)	(42,308)	(248,299)
Gains/(losses) on investment properties	-	-	-	-	-	-	(376,500)	(376,500)
Net income/(expenditure)	609,941	(63,748)	(283,895)	262,298	435,624	(92,186)	(704,369)	(360,931)
Actuarial gains/(losses)	(38,000)	-	-	(38,000)	(31,000)	-	-	(31,000)
Transfers between funds	(1,180,726)	-	1,180,726	-	(4,866,671)	-	4,866,671	-
Net movement in funds	(608,785)	(63,748)	896,831	224,298	(4,462,047)	(92,186)	4,162,302	(391,931)
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	4,389,909	3,109,943	14,435,536	21,935,388	4,998,694	3,173,691	13,538,705	21,711,090

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

	Notes	2024		2023	
		£	£	£	£
<b>Fixed Assets</b>					
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>
<b>Current Assets</b>					
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>	
<b>Creditors:</b> Amounts falling due within one year	17	<u>(673,185)</u>		<u>(670,804)</u>	
<b>Net Current Assets</b>			749,161		1,501,915
<b>Total Assets less Current Liabilities</b>			<u>22,881,509</u>		<u>23,298,789</u>
<b>Creditors:</b> 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>
<b>Net Assets</b>			<u>£21,935,388</u>		<u>£21,711,090</u>
<b>Funds</b>					
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>
<b>Total Funds</b>			<u>£21,935,388</u>		<u>£21,711,090</u>

The financial statements were approved by the Trustees on .....2024 and signed on its behalf by:

*Mark Melliush*

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

Trustee

Mark Melliush (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 £
<b>Net Cash generated from Operating Activities</b>	A	543,225	618,157
<b>Cash Flows from Investing Activities</b>			
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
<b>Net Cash generated from/(used in) Investing Activities</b>		<u>(354,014)</u>	<u>(295,954)</u>
<b>Cash Flows from Financing Activities</b>			
Interest paid		(96,837)	(67,533)
Repayment of Loans		(738,190)	(75,064)
<b>Net Cash (used in)/generated from Financing Activities</b>		<u>(835,027)</u>	<u>(142,597)</u>
<b>Net Change in Cash and Cash Equivalents</b>		(645,816)	179,606
<b>Cash and Cash Equivalents at the beginning of the year</b>		1,914,483	1,734,877
<b>Cash and Cash Equivalents at the end of the year</b>	B	<u>£1,268,667</u>	<u>£1,914,483</u>
<b>A Cash Flows from Operating Activities</b>			
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>B Cash and Cash Equivalents</b>			
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**

	<b>At 01.04.23</b> <b>£</b>	<b>Cash Flows</b> <b>£</b>	<b>At 31.03.24</b> <b>£</b>
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
- 33⅓% - 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**

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

#### **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
	<u>£210,111</u>	<u>£224,746</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	259,052	245,904
Ground rent receivable	3,950	3,950
Service charges receivable	46,831	40,101
	<u>309,833</u>	<u>289,955</u>
Investment Income & Bank Interest	144,456	127,276
	<u>£454,289</u>	<u>£417,231</u>

## **Housing Pathways Trust**

### **Notes To the Financial Statements**

#### **For The Year Ended 31st March 2024**

#### **5. Expenditure on Raising Funds**

	<b>2024</b>	<b>2023</b>
	£	£
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**

	<b>2024</b>	<b>2023</b>
	£	£
<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**

	<b>2024</b>	<b>2023</b>
	£	£
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
	<u>£723,094</u>	<u>£723,992</u>

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:

	<b>2024</b>	<b>2023</b>
	£	£
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
	<u>£450,305</u>	<u>£434,814</u>

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 Melliush, 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
<b>Turnover from Social Housing Letting</b>	<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
<b>Operating costs of Social Housing Lettings</b>	<u>(1,962,312)</u>	<u>(1,824,961)</u>
Gain/(Loss) on replacement of components	(33,628)	(13,584)
<b>Operating surplus/(deficit) on Social Housing Lettings</b>	<u>£(175,768)</u>	<u>£(76,139)</u>
Net Surplus/(Deficit) on social housing lettings	<u>£(267,630)</u>	<u>£(143,115)</u>
<b>Void Losses</b>	<u>£87,956</u>	<u>£34,678</u>

#### 10. **Fixed Assets Housing Properties**

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

## **Housing Pathways Trust**

### **Notes To the Financial Statements**

#### **For The Year Ended 31st March 2024**

#### 14. **Social Investments**

	<b>2024</b>	<b>2023</b>
	£	£
<b>Concessionary loans</b>		
At 1st April 2023	-	-
Repayments in the year	-	(436)
Reversal of impairment	-	436
At 31st March 2024	<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 2024 is £47,645 (2023: £47,645).

#### 15. **Fixed Asset Investments**

	<b>2024</b>			<b>2023</b>
	<b>Unrestricted</b>	<b>Grassroots</b>	<b>Total</b>	<b>Total</b>
	£	£	£	£
<b>Fair Value</b>				
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	<u>4,352,459</u>	<u>285,651</u>	<u>4,638,110</u>	<u>4,351,427</u>
Cash Deposits	46,372	1,544	47,916	22,251
	<u>£4,398,831</u>	<u>£287,195</u>	<u>£4,686,026</u>	<u>£4,373,678</u>
 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
	<u>£4,398,831</u>	<u>£287,195</u>	<u>£4,686,026</u>	<u>£4,373,678</u>

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**

	<b>2024</b>	<b>2023</b>
	£	£
Residents' Contributions	72,652	64,334
Provision for Doubtful Debts	(18,970)	(10,110)
	<u>53,682</u>	<u>54,224</u>
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
	<u>£201,595</u>	<u>£280,487</u>

£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
	<u>£673,185</u>	<u>£670,804</u>
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	<u>£83,366</u>	<u>£71,385</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**

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

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

**19. Loans**

	<b>2024</b>	<b>2023</b>
	£	£
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

<b>Current Year</b>	<b>Balance at 1 April 2023 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Gains/(losses) on investments £</b>	<b>Other gains /(losses) £</b>	<b>Transfers £</b>	<b>Balance at 31 March 2024 £</b>
<b>Unrestricted Funds</b>							
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
	4,998,694	2,502,178	(2,098,307)	206,070	(38,000)	(1,180,726)	4,389,909
<b>Restricted Funds</b>							
Fixed Asset Fund	2,822,108	-	(83,366)	-	-	-	2,738,742
Grassroots Fund	351,583	8,632	(1,929)	12,915	-	-	371,201
	3,173,691	8,632	(85,295)	12,915	-	-	3,109,943
<b>Endowment Funds</b>							
Permanent Endowment	13,538,705	-	(322,765)	38,870	-	1,180,726	14,435,536
	£21,711,090	£2,510,810	£(2,506,367)	£257,855	£(38,000)	£ -	£21,935,388
<b>Prior Year - Combined</b>	<b>Balance at 1 April 2022 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Gains/(losses) on investments £</b>	<b>Other gains /(losses) £</b>	<b>Transfers £</b>	<b>Balance at 31 March 2023 £</b>
<b>Unrestricted Funds</b>							
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
<b>Restricted Funds</b>							
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
<b>Endowment Funds</b>							
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

## **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

	<b>Branch 1</b>	<b>Branch 2</b>	<b>Branch 3</b>	<b>Restricted</b>	<b>Total</b>
	£	£	£	£	£
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**

	<b>Permanent Endowment</b>	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>2024 Total</b>
	£	£	£	£
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>

	<b>Permanent Endowment</b>	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>2023 Total</b>
	£	£	£	£
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)**

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

#### **Reconciliation of opening and closing balances of the Defined Benefit Obligation**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
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	(27,000)	(30,000)
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**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
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	(27,000)	(30,000)
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)**

	<b>2024</b> <b>£</b>	<b>2023</b> <b>£</b>
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**

	<b>2024</b> <b>£</b>	<b>2023</b> <b>£</b>
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)**

<b>Assets</b>	<b>2024 (£000s)</b>	<b>2023 (£000s)</b>
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	<u>£660</u>	<u>£662</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.

<b>Key Assumptions</b>	<b>2023 % per annum</b>	<b>2023 % per annum</b>
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:

	<b>Life expectancy at age 65 (Years)</b>
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:

	<b>Units Under Ownership</b>	
	<b>2024</b>	<b>2023</b>
<b>Social Housing Accommodation</b>		
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.