



**The London Pathway**

**Operating as Pathway**

**Annual Report and Financial  
Statements**

31 March 2019

Company Limited by Guarantee  
Registration Number  
07210798 (England and Wales)

Charity Registration Number 1138741

**Financial statements:** year ended 31 March 2018

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## Reference and administrative details

Charity Name: The London Pathway  
 Charity Registered Number: 1138741  
 Company Registration No: 07210798 (England and Wales)

Address: 5th Floor East  
 250 Euston Road  
 London, NW1 2PG

Trustee (Director) name	Office (if any)	
Lady Rhona Bradley		
Sir Peter Dixon		
Dr Vanya Gant		
Mr Richard Guest		Appointed 12 November 2018
Prof Andrew Hayward		
Ms Cathy James OBE		
Sir Ian Kennedy		
Ms Leslie Ann Morphy OBE	Chair	
Mr David Pascall CBE	Vice Chair	Term ended 16 July 2018
Mr Stephen Robertson	Vice Chair	Appointed 4 February 2019
Mr Simon Tuttle		Appointed 3 December 2018

<b>Chief Executive</b>	Mr Alex Bax
<b>Finance "Director" and Company Secretary</b>	Ms Stephanie Swan
<b>Medical "Director"</b>	Dr Nigel Hewett
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL
<b>Bankers</b>	The Co-operative Bank Business Customer Services PO Box 250 Skelmersdale WN8 6WT

## **Trustees' Report:** year ended 31 March 2019

The trustees of the charity present their annual report and audited financial statements for the year ended 31 March 2019.

This report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes a directors' report for the purposes of company law.

The financial statements have been prepared in accordance with the accounting policies set out on pages 17 to 19 of the attached financial statements and comply with The London Pathway's Memorandum and Articles of Association, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

## **Structure, Governance and Management**

### Governing document

The charity is governed by a Memorandum and Articles of Association incorporated on 1 April 2010.

The charity is constituted as a charitable company limited by guarantee and has no share capital. Its company registration number is 07210798.

The charity has adopted the trading name of 'Pathway' to reflect its expansion into geographical areas outside London.

### Organisation structure

Pathway is represented by an honorary high profile patron, managed by a number of trustees, and administered by officers who deal with the operation of the charitable company. The trustees meet quarterly, and any new trustees are appointed with the agreement of the current trustees. A list of the current trustees is set out on page 1.

There are two established sub-committees: the Audit Committee which meets with the Finance and Administration Director before the full Board meeting, and the Remuneration Sub-Committee which meets annually to review pay and make recommendations of pay increases to the full Board.

### Key management personnel

Pathway's key personnel are the Chief Executive, Finance Director, and Medical Director. The Board, through the Remuneration Sub-Committee reviewed the remuneration of all current staff and vacant posts in 2018/19 including the key personnel, and recommended the annual pay award which was ratified by the full Board. The benchmarks used to assess pay are either the NHS Agenda for Change pay rates for Pathway staff working in hospitals or National Joint Council (NJC) pay scales for all other posts.

### Recruitment, appointment and training of trustees

A trustee is a member of the Board of Trustees of the charitable company and director for the purposes of the Companies Act 2006. In accordance with Clause 11 of the Articles of Association of Pathway, trustees may appoint a person who is willing to act as a trustee for such a term as they shall see fit, usually a maximum of three years per term, either to fill a vacancy or as an additional trustee. There is a minimum requirement of three trustees. At the end of a term of office, the trustees can reappoint the trustee. There shall be no limit to the number of times a trustee may be reappointed. If the number of trustees shall fall below three, the remaining trustees may act only for the purposes of appointing new or additional trustees.

A trustee may resign from his/her post by written notice to the trustees. Clause 12 of the Articles provides conditions in which a trustee's term of office automatically terminates.

For the year 2018/19, there were ten trustees. Mr David Pascall CBE stood down from the Board in July 2018 as his term of office came to an end. Mr Richard Guest and Mr Simon Tuttle joined the charity as trustees in November and December 2018 respectively.

## **Structure, Governance and Management (continued)**

### Recruitment, appointment and training of trustees (continued)

Each trustee is provided with an information pack which provides details on the duties and roles of charity trustees, a copy of Pathway's constitution, the strategic plan, the previous year's annual accounts and the standing orders and standing financial instructions.

Potential trustees are invited to attend up to three board meetings as observers, and prior to their appointment to the Board they meet the Chair and senior officers of Pathway to discuss the charity's aims, objectives and direction. During the period of these accounts, no new prospective board members attended meetings.

Trustees are kept up to date regularly with changes relating to charity legislation by the circulation of newsletters from the Charity Commission.

Members of the Board of Trustees have no beneficial interest in the charitable company.

### Organisation and decision making process

Running of the day to day activities of the charity is delegated to the Chief Executive and his senior team. This helps the trustees govern more effectively, although they remain collectively responsible for the charity.

Levels of expenditure delegated to officers are set out in the standing financial instructions.

The proposed strategic direction, plan and draft budget for Pathway are presented to Board of Trustees for discussion at a meeting early in the calendar year, and are finalised and approved by the Board at their April meeting. Progress reports are presented to the quarterly meetings of the Board, and in 2018, a short 'between meetings update' was introduced and circulated to trustees by email.

New job descriptions, associated levels of remuneration and annual pay awards were submitted to the Remuneration Sub-Committee for discussion, following which the Chair of the Sub-Committee made recommendations for approval to the full board.

Where decisions are required between meetings these are carried out through urgent action procedures, and depending on the decision required, this may be through written contact with every trustee or with the Chair and Vice Chair. All urgent decisions taken between meetings are reported to the Board at the next possible meeting for ratification.

### Risk management

The trustees have assessed the major risks Pathway is exposed to, in particular those relating to the specific operational areas of the charity, its assets and its finances.

Two key risks for the charity continue to be financial sustainability and the loss of key personnel. These are addressed as follows:

1. The trustees and key management personnel keep the funding and available finance under constant review and actively seek funding from a range of sources including charitable foundations and trusts and statutory bodies, including the NHS, for core funding and specific projects, as well as ensuring funds are invoiced in a timely way. They also monitor reserves levels, and ensure controls exist over key financial systems. During 2018/19, the project to explore the viability of spreading the Pathway hospital team model using social franchising continued to the next phase, funded by The Health Foundation and supported by consultants Spring Impact. It is hoped this will help ensure financial sustainability of Pathway's core activities. In addition in March 2019, at the Faculty for Homeless and Inclusion Health's annual conference, a scheme was launched which encourages Faculty members and supporters to make voluntary donations to help ensure the continuation of the Faculty's activities.
2. The trustees manage the risks that might ensue at the loss of key personnel by ensuring staff are supported, paid appropriately and that their knowledge of systems is shared with other staff members and the Board of Trustees. Trustees also intend to introduce succession planning wherever possible.

The trustees believe that they have established effective systems to mitigate these and other operational and business risks which are kept under review.

## **Objectives**

### Objects of the Charity and Principal Activities

The objects of the charity are to advance such purposes as are charitable for the advancement of healthcare for, and for the relief of need of people often excluded from society, including, but not exclusively, homeless people, alcoholics, drug users and those suffering from mental or physical health problems (excluded people) by, but not exclusively:

- a) the development of targeted healthcare and nursing support for excluded people;
- b) the provision of follow-up support after their discharge from hospital; and
- c) the provision of healthcare-related education and training for excluded people and for staff and volunteers working with excluded people.

### Objectives for the Year

It is the intention of the trustees that funding should be secured and used to work on advancing healthcare services for homeless people and other excluded groups. The trustees confirm they have complied with the duty in section 47(5) of the Charities Act to have due regard to public benefit guidance published by the Charity Commission.

Pathway will maintain its position as:

- a recognised leader in the field of healthcare for homeless people and other multiply excluded groups;
- an organisation that puts service users at its centre;
- an agent of change working within and in partnership with the NHS and other services; and as
- the host of the Faculty for Homeless and Inclusion Health, a network bringing together health, housing and social care professionals working with excluded people and also people with lived experience who wish to contribute to their work.

Pathway has agreed five strategic aims to deliver its objectives:

1. To support, strengthen and spread our existing service models and networks;
2. To develop the variety of services operating within the Pathway network;
3. To research, test and evaluate new and additional services and build the evidence around homeless and inclusion health;
4. To provide support to and develop further the Faculty for Homeless and Inclusion Health – including potentially establishing it as a free standing organisation; and
5. To maintain a strong organisation.

## **Activities, Achievements and Performance**

In our ninth year of operation, the main activities and achievements for each of the aims have been:

### **Aim 1: To support, strengthen and spread our existing service models and networks**

- Pathway has supported services for homeless patients at nine hospitals: University College Hospital, The Royal London, Brighton & Sussex University Hospital, Bradford Royal Infirmary, Manchester Royal Infirmary and King's Health Partners, covering Guy's and St Thomas', King's College Hospital and South London and the Maudsley and Bristol Royal Infirmary. Funding has been secured for the work to continue into 2019/20.
- We have funded and supported reflective practice sessions for staff in Pathway teams in Brighton and London, helping staff to address the emotional impact of their work.
- We have helped commissioners in Hull and Oxford to assess homeless health issues and made recommendations for service provision. A Pathway team in Hull is being commissioned in 2019/20.
- We have supported Faculty members in Bournemouth and Bath to raise homeless health issues with local commissioners.
- We have commenced a needs assessment in Newham hospitals to assess homeless health issues and will make recommendations for service provision later in 2019.
- We are discussing the need for hospital teams within the Imperial College Healthcare NHS Trust following a needs assessment carried out by a Faculty member.
- The Pathway Team model was referenced in the NHS England's Long Term Plan.
- We have developed an operational manual and promotional documents as part of the project to explore social franchising as a means of spreading Pathway's hospital model.
- Royal Perth Hospital Homeless Team, based on Pathway's hospital model of care, published a report on the first 18 months of operation.
- We have published practical guidance for Hospital practitioners on the Homelessness Reduction Act 2017 Duty to Refer on Pathway's website.
- We have led a project to define the role and potential of specialist nurses working in homeless hospital discharge involving all existing nurses in Pathway teams, other nurses working specifically with homeless patients in hospital across the UK, and a small team of Experts by Experience. Outputs include: standard job descriptions for nurses working in homelessness Bands 5 to 8a; competency framework including key performance indicators and monitoring notes developed; patient feedback form developed; job plan for advanced level practice accreditation; and the final analysis of continuing professional development needs. Work is continuing in 2019/20 to produce a project report.

### **Aim 2: To develop the variety of services operating within the Pathway network**

- Pathway has pioneered short-term accommodation with specialist care, known as 'medical respite' to help homeless patients who need extra help and support to recover after being discharged from hospital. Several Pathway teams now have access to such facilities and we continue to build the case for wider provision.
- Guidance: 'How to do a Needs Assessment for a Medical Respite Service' published.
- A donation of £1m from UCLH Charity for development of standard medical respite facilities announced in April 2019, and work underway to identify appropriate building, partners and additional capital funding.
- Evidence based needs assessment for medical respite for homeless patients across north London hospital published.
- We continued to run the Pathway Care Navigator Apprenticeship scheme. Three Care Navigators were deployed at University College Hospital (UCH) - one of Senior Care Navigators and two trainees. They have supported over 650 patients in the last year. The Senior Care Navigator in the Royal London Hospital was transferred to the employ of the NHS under TUPE arrangements. After completing the Level 3 qualification in Health and Social Care, one UCLH Care Navigator left the Homeless team to join UCLH's establishment as an outreach worker in the TB Find and Treat Team. The Senior Care Navigator working in the UCLH homeless team will transfer to its establishment from 1 May 2019.

## **Trustees' Report:** year ended 31 March 2019

- We continue to develop a network of Pathway Fellows, all expert clinical and professional associates who work with Pathway on a voluntary or paid basis, carrying out research into new models of care.
- Pathway has continued to develop competency frameworks, standard job descriptions and a support network for nurses working with homeless patients, supporting a professional career path.
- We have formalised a programme for medical students undertaking self-selected components and electives within Pathway teams, helping to encourage the next generation of medical professionals to 'think homeless' and understand the impact that housing has on health, and have welcomed a range of students over the past year from across the UK and abroad.

### **Aim 3: To research, test and evaluate new and additional services and build the evidence around homeless and inclusion health**

- Pathway completed the pilot provision of legal advice services for homeless patients at UCH and King's Health Partners hospitals, and also the provision of specialist legal advice for migrants and homeless patients with no recourse to public funds who were admitted to the Royal London Hospital and UCH. An Evaluation Report is being developed and a seminar to share experience is arranged for April 2019.
- Additional funding secured to continue legal advice work into 2019/20, including partnering by two providers to secure additional funding to provide specialist advice for migrants and homeless patients with no recourse to public funds.
- We continue to participate in a multi-site, multi-year National Institute of Health Research (NIHR) review of homeless hospital discharge arrangements, exploring the efficacy of a variety of models.
- On-line toolkit launched to help hostel staff identify and support homeless people who are facing death; work commenced to develop enhanced training models and to roll out two day training courses.
- We continued to address NHS IT issues, lobbying Government to implement standard housing codes within computer systems, to enable the identification and support of homeless patients and mapping of homeless health needs and trends.
- We have enabled homeless health services in London to connect health records. Patients can give permission for access, affording continuity of care and reduced costs. The service, based on 'EMIS web', includes most local Pathway teams and specialist homelessness Primary care services. It is accompanied by a monitoring template which is available nationally.
- The second one day national inclusion dentistry conference: Homeless and Inclusion Oral Health was held in Birmingham in November 2018 and attended by over 100 dentists.
- Pathway Fellows and staff have published numerous journal papers, magazine articles and news reports on homeless health issues, offering clinicians and the public an insight into homeless health and the need to support homeless patients.
- We have supported Experts by Experience (EbEs) - people who have lived experience of homelessness and exclusion - to take part in research and consultation work, including advising on information booklets and feedback forms for homeless hospital services, and supporting focus groups on end of life care for homeless people.
- Papers about Experts by Experience perspectives on new technology in health have been published in academic journals and launched at the House of Lords.
- Pathway received funding from the London Mayor's Office to revise a toolkit of mental health and rough sleeping guidance for professionals. This was accompanied by a series of free educational workshops.

### **Aim 4: To provide support to and develop further the Faculty for Homeless and Inclusion Health - including potentially establishing it as a free standing organisation**

- The MSc module in Inclusion Health developed by the Faculty for Homeless and Inclusion Health in partnership with University College London was run in 2018 to much acclaim, and will be run again in spring 2019. Two Pathway employees with personal lived experience of homelessness took part in the course. The annual Inclusion Health CPD day was run in autumn 2018.



## Trustees' Report: year ended 31 March 2019

- We have continued to grow membership of the Faculty, with over 1,500 members at the end of 2018/19, including medical professionals, housing and homelessness workers, social care professionals, public health experts, commissioners, researchers, and people with live experience of exclusion. We launched a voluntary membership scheme in March 2019, asking members to donate to the Faculty to continue its varied programmes of work.
- We held the seventh Faculty for Homeless and Inclusion Health international symposium: Pathways from Homelessness 2019: Rethinking Housing & Health, and supported a group of EbEs to attend and participate.
- The Faculty assembled a group of experts to revise the national Service Standards for Commissioners and Providers with the final third version launched and published in early December 2018.
- We have further developed the Faculty's communications including use of social media (Twitter: 2500+ followers) and regular electronic newsletters.
- Faculty meetings were held and well attended in London, Manchester, Leeds, Bradford, Bristol and the South Coast.
- The Faculty has supported many subgroups, including groups in Scotland, the north of England and the south-west, and special interest groups on dentistry, mental health and occupational therapy.
- Responses provided on key consultations and policy documents including: the DoH consultation of the Impact of NHS charging and to Philip Alston, UN Special Rapporteur on migrant destitution.

### Aim 5: To maintain a strong organisation

- Pathway continued to work with Spring Impact to explore sustainable business models for the Faculty for Homeless and Inclusion Health and launched its volunteer donation scheme in March 2019.
- We continued work with Spring Impact and The Health Foundation to explore the potential of social franchising and licensing tools to spread the Pathway Hospital Model with a view to developing a sustainable business model for Pathway. We completed the design and systemise phases in 2018/19, and have progressed to the validation phase with new funding from the Health Foundation.
- We are grateful to management consultancy, Carnall Farrar who chose Pathway to be the recipient of its social responsibility activities during 2018/19. They have provided in-kind support and undertook fundraising activities throughout the year for us.
- Pathway staff and Pathway team staff shortlisted for awards: Expert Citizens National Insight Award for leading user engagement; Nursing Times Awards for data collection and EMIS; RCNi and Nursing Times Awards for work with homeless patients; Royal College of Psychiatrists Award for Innovation.
- Pathway registered with the Fundraising Regulator.
- Pathway hosted secondments of two fast streamers for six months each from the Civil Service, and their remuneration was covered by their substantive employers. They worked on the Exploring Social Franchising and various Faculty projects.

### Review of financial position

The gross income for the year amounted to: £948,948 (2018 - £864,229). The associated expenditure for the year was £885,161 (2018 - £850,936). This gives a net surplus for the year of £63,787 (2018 - net surplus of £13,293). Total reserves to be carried forward to 2019/20 are £607,875 (2018 - £544,088).

The principal sources of funds in 2018/19 were:

	£
<b>The Oak Foundation</b> – 3rd payment of a five year core grant (unrestricted)	250,000
<b>The Oak Foundation</b> – first payment of a two year grant for implementation and evaluation of palliative care training for hostels and similar facilities for homeless people (restricted)	181,637

## Trustees' Report: year ended 31 March 2019

<b>Lankelly Chase Foundation</b> – Final year of a three year grant to support the communications work of Pathway and the Faculty for Homeless and Inclusion Health (restricted).	97,000
<b>University College London Hospital NHS Foundation Trust</b> – payment to support four sessions per week of a specialist homeless GP for the hospital's homeless team and six months pay of Care Navigator (restricted)	79,425
<b>The Health Foundation</b> – second half payment of grant to explore social franchising and licensing as a way of spreading Pathway's hospital team model - design and systemise phases (restricted)	56,383
<b>John Ellerman Foundation</b> - grant for development and distribution of training film for young people with mental health problems who are at risk of homelessness in partnership with Resilient 1 (restricted)	44,485
<b>Queen Mary University London</b> – grant from Barts Charity for an assessment of needs for a Pathway team in Newham hospital (restricted)	29,600
<b>Health Education England</b> – grant for development of e-learning modules on inclusion health (restricted)	20,000
<b>Guys and St Thomas' NHS Trust</b> – annual contribution for support to Pathway teams in the King's Health Partnership (unrestricted)	20,000
<b>Trust for London</b> – final year payments for piloting legal advice for patients in London hospitals (restricted)	15,000
<b>AB Charitable Trust</b> – single grant for legal advice for homeless patients in UCLH and South London hospitals with Pathway teams (restricted)	15,000
<b>Texel Foundation</b> – single grant contribution for core costs (unrestricted)	10,000
<b>Greater London Authority</b> – second half of grant to provide advice, guidance, support and training on Mental Health Service Interventions for Rough Sleepers (restricted)	9,187
<b>UCLH Charity</b> – part payment of grant to support B&B provision of homeless patients at Olallo House following discharge pending finalisation of onward arrangements (restricted)	8,890
<b>Marie Curie Cancer Care</b> – funding to develop training resources for end of life care project (restricted)	6,168
<b>Crisis UK</b> – a single grant to support the attendance of Experts by Experience at the Faculty of Homeless and Inclusion Health's annual international symposium (restricted)	5,000
<b>The Batchworth Trust</b> – single grant contribution towards core costs (unrestricted)	5,000
<b>UCLH Friends</b> – single grant to develop and publish information booklet for homeless patients attending UCLH (restricted)	4,880
<b>Stephen Clarke Charitable Settlement</b> – grant to support the work of the Pathway team in Bristol (restricted)	4,000

Just over 84.7% (£749,948) of the expenditure can be attributed directly to Pathway's core activities, with just over 15.2% (£134,775) related to support work including governance. An amount of £438 was paid to a consultant for fundraising activities in 2018/19 (£nil in 2017/18).

### Reserves policy

At the end of 2018/19 Pathway holds reserves of £607,875 (£260,243 unrestricted and £347,632 restricted). At their meeting in April 2019 trustees agreed to leave unchanged the reserves policy of retaining unrestricted reserves to cover four months basic overheads (estimated at £118,500) and retaining sufficient unrestricted to meet 2019/20 funding commitments, estimated at £125,000. The unrestricted reserve of £260,243 therefore provides sufficient funds to cover management, administration and support costs and to respond to emergency situations for 2019/20. Restricted reserves are balances of funding secured for specific projects, where the funding organisation requires the funding to be used on this work, and where work is continuing. Pathway records specific costs against these funds as they are incurred.

### Plans for Future Periods

We will continue our work towards the objectives set out in our strategic plan:

- to support, strengthen and spread our existing service models and networks;
- to develop the variety of services operating within the Pathway network;
- to research, test and evaluate new and additional services and build the evidence around homeless and inclusion health;
- to provide support to and develop further the Faculty for Homeless and Inclusion Health – including potentially establishing it as a free standing organisation; and

## **Trustees' Report:** year ended 31 March 2019

- to maintain a strong organisation.

We will continue work with the Health Foundation and Spring Impact to explore and validate the potential of social franchising to spread the Pathway hospital team model and to secure a sustainable income stream for the core Pathway charity. We will also promote further our scheme for Faculty members and supporters to make voluntary donations to support the activities of the Faculty.

We will work with partners to develop plans for medical respite provision by investigating the viability of Olallo House as a suitable building for refurbishment and investment with St John of God Hospitaller Services as one of the operating partners.

We will continue to work to secure employment with the relevant NHS Trust for the remaining Pathway's trained Care Navigators – the Senior Care Navigator deployed in UCLH was employed by University College London NHS Hospital Trust from 1 May 2019, and discussions are ongoing about the last trained Care Navigator.

### **Statement of Trustees' Responsibilities**

The trustees (who are also directors of Pathway for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

Each of the trustees confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

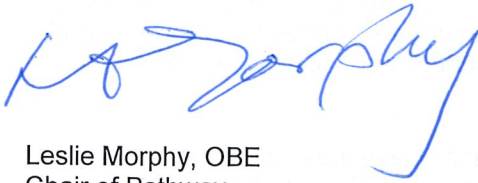
This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

**Trustees' Report:** year ended 31 March 2019

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The above report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved and authorised by the Board of Trustees 15 July 2019 and signed on its behalf by:



Leslie Morphy, OBE  
Chair of Pathway

**Independent auditor's report to the members of The London Pathway**

**Opinion**

We have audited the financial statements of The London Pathway (the 'charitable company') for the year ended 31 March 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 March 2019 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

**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 charitable company 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**

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

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

**Other information**

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Independent auditor's report:** year ended 31 March 2019

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- ◆ the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

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.

**Independent auditor's report:** year ended 31 March 2019

**Use of our report**

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



Katharine Patel (Senior Statutory Auditor)  
For and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL  
Date:

19 July 2019

**Statement of financial activities: year ended 31 March 2019**  
(Including an Income and Expenditure Account)

	Notes	Unrestricted funds £	Restricted funds £	2019 Total £	Unrestricted funds £	Restricted funds £	2018 Total £
<b>Income:</b>							
Donations and legacies		61,022	617	<b>61,639</b>	15,743	750	16,493
<i>Income from charitable activities</i>							
Grants	2	266,000	496,862	<b>762,862</b>	252,759	486,314	739,073
Research and project income	2	36,955	87,492	<b>124,447</b>	32,444	76,219	108,663
<b>Total income</b>		<b>363,977</b>	<b>584,971</b>	<b>948,948</b>	<b>300,946</b>	<b>563,283</b>	<b>864,229</b>
<b>Expenditure:</b>							
Expenditure on charitable activities	3	330,593	554,568	<b>885,161</b>	362,237	488,699	850,936
<b>Total expenditure</b>		<b>330,593</b>	<b>554,568</b>	<b>885,161</b>	<b>362,237</b>	<b>488,699</b>	<b>850,936</b>
<b>Net income (expenditure) and net movement in funds for the year</b>	5	33,384	30,403	<b>63,787</b>	(61,291)	74,584	13,293
<b>Reconciliation of funds</b>							
Total funds brought forward at 1 April 2018		226,859	317,229	<b>544,088</b>	288,150	242,645	530,795
<b>Total funds carried forward at 31 March 2019</b>		<b>260,243</b>	<b>347,632</b>	<b>607,875</b>	<b>226,859</b>	<b>317,229</b>	<b>544,088</b>

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

All income and expenditure derived from continuing activities in the above two financial periods.

The accounting policies and notes on pages 17 to 31 form part of these financial statements.

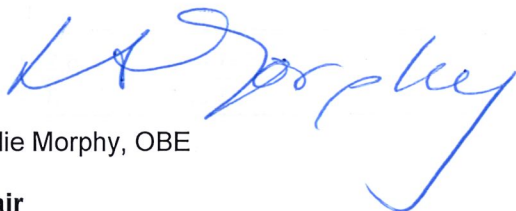


**Balance sheet:** as at 31 March 2019

	Note	2019 £	2019 £	2018 £	2018 £
<b>Current assets</b>					
Debtors	9	52,171		41,412	
Cash at bank		<u>611,897</u>		<u>555,370</u>	
		<b>664,068</b>		<b>596,782</b>	
<b>Liabilities</b>					
Creditors falling due within one year	10	<u>(56,193)</u>		<u>(52,694)</u>	
<b>Net current assets</b>			<b>607,875</b>		<b>544,088</b>
<b>Net assets</b>			<b>607,875</b>		<b>544,088</b>
 <b>The funds of the charity</b>					
Unrestricted funds	11		<b>260,243</b>		<b>226,859</b>
Restricted funds	12		<b>347,632</b>		<b>317,229</b>
<b>Total charity funds</b>	13		<b>607,875</b>		<b>544,088</b>

The accounting policies and notes on pages 17 to 31 form part of these financial statements.

These financial statements were approved by the Board of Trustees for issue on 15 July 2019 and signed on its behalf by:



Leslie Morphy, OBE

**Chair**

The London Pathway,  
Charity Registration no 1138741  
Company Registration No: 07210798

**Statement of cash flows: year ended 31 March 2019**

	Notes	2019 £	2018 £
<b>Cash flow from operating activities:</b>			
Net cash provided by (used in) operating activities	A	<u>56,527</u>	<u>(148,594)</u>
<b>Change in cash and cash equivalents in the year</b>		<b>56,527</b>	<b>(148,594)</b>
Cash and cash equivalents at 1 April 2018	B	555,370	703,964
<b>Cash and cash equivalents at 31 March 2019</b>	B	<u>611,897</u>	<u>555,370</u>

Notes to the statement of cash flows for the year to 31 March 2019.

**A Reconciliation of net movement in funds to net cash generated from (used in) operating activities**

	2019 £	2018 £
<b>Net movement in funds (as per the statement of financial activities)</b>	<b>63,787</b>	<b>13,293</b>
<b>Adjustments for:</b>		
(Increase) decrease in debtors	(10,759)	29,957
Increase (decrease) in creditors	3,499	(191,844)
<b>Net cash provided by (used in) operating activities</b>	<u><b>56,527</b></u>	<u><b>(148,594)</b></u>

**B Analysis of cash and cash equivalents**

	2019 £	2018 £
Cash at bank	611,897	555,370
<b>Total cash and cash equivalents</b>	<u><b>611,897</b></u>	<u><b>555,370</b></u>

## **1. Accounting policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

### **Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) issued on 16 July 2014, Update Bulletin 1 issued on 2 February 2016, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. The financial statements have been prepared under the historical cost except for the modification to a fair value basis as specified in the accounting policies below.

The charity constitutes a public benefit entity as defined by FRS 102.

All financial information is presented in British Pounds Sterling (£), the charity's functional currency, and has been rounded to the nearest pound (£).

### **Critical accounting estimates and judgements**

The preparation of financial statements requires the use of certain critical accounting estimates and judgements. It also requires the trustees' to exercise judgement in the process of applying accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including an expectation of future events that are believed to be reasonable under the circumstances. Although these estimates are based on the trustees' best knowledge of the amount, event or actions, actual results may differ from those estimates.

There are no areas requiring the use of estimates and critical judgements that may significantly impact on the charity's financial activities and financial position.

### **Assessment of going concern**

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The charity has prepared forecasts and budgets for a two year period to 2020/21 which provide the trustees with detailed costs for Pathway projects currently undertaken and proposed, together with an indication of how projected costs could be scaled back should funding levels fall. The trustees and the management team are currently in discussion with both existing and prospective funding bodies regarding future grant awards and are optimistic that further grants will be available to meet future expenditure and allow the charity to meet its liabilities as they fall due. Having considered the charity's budget forecasts and the charity's cash reserves at 31 March 2019 of £611,897, the trustees are satisfied that there will be sufficient future funds to allow the charity to continue as a going concern despite any uncertainties surrounding the timing and receipt of grant funding.

### **Fund accounting**

Unrestricted funds are funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

## **Notes to the financial statements:** year ended 31 March 2019

### **Fund accounting** (continued)

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors. The aim and use of each restricted fund is set out in the notes to the financial statements. Expenditure incurred in fulfilling the objective of each restricted fund is charged against the fund balance and shown in the relevant expenditure category in the charity's statement of financial activities.

### **Income**

Income from donations is recognised in the period in which the charity becomes entitled to the donation and where receipt is probable and its amount can be measured reliably.

Income from grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grant have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income for the provision of commissioned research and other projects is recognised when the charity is entitled to receipt, any performance conditions have been met and the amount can be measured reliably.

Income from donated services are recognised at fair value provided that the value can be reliably measured. Fair value is determined by reference to the open market price that the charity would pay for the services provided.

### **Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. It includes VAT which cannot be recovered.

#### *Expenditure on charitable activities*

Expenditure on charitable activities includes the costs of delivering the Pathway services and other activities undertaken for the purposes of the charity. Included is the direct cost of the Pathway service and an apportionment of support costs.

#### *Support and governance costs*

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include administration, personnel and governance costs. Governance costs include audit costs and legal costs relating to the charity's compliance with regulation and good practice.

### **Financial instruments**

The charity only holds basic financial instruments as defined in FRS102. The financial assets and financial liabilities and their measurement basis is as follows:

*Financial assets* – trade debtors, other debtors and accrued income are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 9. Prepayments are not financial instruments.

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

*Financial liabilities* – trade creditors and accrued expenses are financial instruments and are measured at amortised cost as detailed in note 10.

**Financial assets and liabilities**

Financial assets and financial liabilities are recognised in the balance sheet when the charity becomes party to the contractual provisions of the instrument.

**Debtors**

Trade and other debtors are initially recognised at their settlement amount and subsequently at amortised cost or their recoverable amount. Impairment provisions are recognised when there is objective evidence, such as significant financial difficulties on the part of the counterparty or default or a significant delay in payment, that the charity will be unable to collect all of the amounts due.

Prepayments are valued at the amount prepaid.

**Cash at bank**

Cash at bank represents cash that is available on demand or has a maturity of less than three months from balance sheet date. Deposits for more than three months but less than one year are disclosed as short term deposits.

**Creditors and provisions**

Creditors 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 measured or estimated reliably.

Creditors and provisions are initially recognised at fair value, being the amount the charity anticipates it will pay to settle the debt, and subsequently at amortised cost.

**Pensions**

Contributions totalling £12,825 have been made to employees' personal pension plans in 2018/19. The staging date for auto-enrolment into a pension scheme was 1 August 2017, and Pathway selected the Government backed NEST pension scheme for its employees.

**Short term employment benefits**

Short term employment benefits such as salaries and compensated absences (holiday pay) are recognised as an expense in the year in which the employees render service to the charity. Any unused benefits are accrued and measured at the amount the charity expects to pay to the employees to settle the unused entitlements.

**Notes to the financial statements:** year ended 31 March 2019

**2. Income from charitable activities**

	Unrestricted funds £	Restricted funds £	2019 £
<b>Grants</b>			
The Oak Foundation	250,000	181,637	431,637
UCLH Charities	—	8,890	8,890
Trust for London	—	15,000	15,000
Lankelly Chase Foundation	—	97,000	97,000
Greater London Authority	—	9,187	9,187
Health Education England	—	20,000	20,000
The Health Foundation	—	56,383	56,383
John Ellerman Foundation	—	44,485	44,485
Queen Mary University London	—	29,600	29,600
AB Charitable Trust	—	15,000	15,000
Texel Foundation	10,000	—	10,000
Other grants	6,000	19,680	25,680
<b>Total grants</b>	<b>266,000</b>	<b>496,862</b>	<b>762,862</b>
<b>Research and project income</b>			
University College London Hospital NHS Foundation Trust	—	79,425	79,425
Guy's & St Thomas' Hospital NHS Foundation Trust	20,000	—	20,000
Other projects	16,955	8,067	25,022
<b>Total research and project income</b>	<b>36,955</b>	<b>87,492</b>	<b>124,447</b>
<b>2019 Total funds from charitable activities</b>	<b>302,955</b>	<b>584,354</b>	<b>887,309</b>

Notes to the financial statements: year ended 31 March 2019

2. Income from charitable activities (continued)

	Unrestricted funds £	Restricted funds £	2018 £
<b>Grants</b>			
The Oak Foundation	250,000	28,760	278,760
UCLH Charities	—	37,570	37,570
The Burdett Trust for Nursing	—	52,432	52,432
Garfield Weston Foundation	—	50,000	50,000
Trust for London	—	30,000	30,000
The Goldsmiths' Company Charity	—	30,000	30,000
Lankelly Chase Foundation	—	97,000	97,000
South London & Maudsley NHS Trust	—	16,484	16,484
Greater London Authority	—	9,187	9,187
Health Education England	—	63,925	63,925
The Health Foundation	—	51,586	51,586
Other grants	2,759	19,370	22,129
<b>Total grants</b>	<b>252,759</b>	<b>486,314</b>	<b>739,073</b>
<b>Research and project income</b>			
University College London Hospital NHS Foundation Trust	—	62,400	62,400
Guy's & St Thomas' Hospital NHS Foundation Trust	20,000	—	20,000
University College London	1,400	10,839	12,239
Other projects	11,044	2,980	14,024
<b>Total research and project income</b>	<b>32,444</b>	<b>76,219</b>	<b>108,663</b>
<b>2018 Total funds from charitable activities</b>	<b>285,203</b>	<b>562,533</b>	<b>847,736</b>

Notes to the financial statements: year ended 31 March 2019

3. Expenditure

	Unrestricted funds £	Restricted funds £	2019 £
<b>Charitable activities</b>			
<b>Direct costs</b>			
Pay costs including staff costs	202,308	168,305	370,613
Consultants' fees	438	274,364	274,802
Care Navigator expenses	239	10	249
Staff training	7,283	2,140	9,423
Printing	—	1,890	1,890
Patients' costs	1,724	14,607	16,331
Patients' Legal Advice	2,000	21,434	23,434
Telephone	821	150	971
Travel and subsistence	1,246	2,468	3,714
Catering	99	3,586	3,685
Volunteer/Service User expenses	1,563	13,176	14,739
Conference provision	20,052	6,456	26,508
Marketing and design	—	3,542	3,542
Stationery	—	283	283
Staff uniforms	202	—	202
<i>Total direct costs</i>	<u>237,975</u>	<u>512,411</u>	<u>750,386</u>
<b>Support costs</b>			
Pay costs including staff costs	71,281	37,866	109,147
Staff Recruitment	175	3,600	3,775
Staff Training	—	206	206
Consultants' fees	300	—	300
Marketing and design	3,279	485	3,714
Travel (incl. staff travel loans)	2,819	—	2,819
Printing	103	—	103
Insurance	5,116	—	5,116
Bank and payroll charges	912	—	912
Stationery	255	—	255
<i>Total support costs</i>	<u>84,240</u>	<u>42,157</u>	<u>126,397</u>
<b>Governance costs</b>			
Trustees' expenses	535	—	535
Audit and accountancy fees	7,843	—	7,843
<i>Total governance costs</i>	<u>8,378</u>	<u>—</u>	<u>8,378</u>
<b>2019 Total expenditure</b>	<u>330,593</u>	<u>554,568</u>	<u>885,161</u>



Notes to the financial statements: year ended 31 March 2019

3. Expenditure (continued)

	Unrestricted funds £	Restricted funds £	2018 £
<b>Charitable activities</b>			
<b>Direct costs</b>			
Pay costs including staff costs	215,912	153,717	369,629
Consultants' fees	—	232,565	232,565
Care Navigator expenses	603	—	603
Staff training	10,519	2,614	13,133
Printing	42	3,189	3,231
Patients' costs	4,853	12,662	17,515
Patients' Legal Advice	—	35,730	35,730
Telephone	1,385	—	1,385
Travel and subsistence	354	2,039	2,393
Catering	99	1,640	1,739
Volunteer/Service User expenses	3,061	7,389	10,450
Conference provision	20,045	6,100	26,145
Marketing and design	30	1,766	1,796
Stationery	463	14	477
Staff uniforms	609	—	609
<i>Total direct costs</i>	<u>257,975</u>	<u>459,425</u>	<u>717,400</u>
<b>Support costs</b>			
Pay costs including staff costs	83,314	24,414	107,728
Staff Welfare	547	—	547
Consultants' fees	2,400	—	2,400
IT Equipment	80	157	237
Marketing and design	—	4,429	4,429
Travel (incl. staff travel loans)	2,763	—	2,763
Volunteer/Service user expenses	68	27	95
Printing	1,170	247	1,417
Insurance	5,062	—	5,062
Bank and payroll charges	912	—	912
Stationery	251	—	251
<i>Total support costs</i>	<u>96,567</u>	<u>29,274</u>	<u>125,841</u>
<b>Governance costs</b>			
Trustees' expenses	132	—	132
Audit and accountancy fees	7,563	—	7,563
<i>Total governance costs</i>	<u>7,695</u>	<u>—</u>	<u>7,695</u>
<b>2018 Total expenditure</b>	<u>362,237</u>	<u>488,699</u>	<u>850,936</u>

**Notes to the financial statements:** year ended 31 March 2019

**4. Staff costs including key management personnel**

	2019 £	2018 £
Wages and salaries	428,408	428,095
Social security costs	36,289	41,438
Pension contributions (2018: 9 months)	12,825	9,660
	<b>477,522</b>	<b>479,193</b>

No core contract based staff were used in 2019.

Wages and salary costs include donated services with a fair value of £43,000 (2018 - £nil) for two six month secondments secured from the Civil Service in 2018/19. The secondees' salaries were paid for by their substantive employers.

One employee earned over £60,000 during the year (2018: two) with their salary falling in the banding £60,001 - £70,000 (2018: one between £60,001 - £70,000 and one between £70,001 - £80,000).

The average monthly number of persons (including key management personnel) employed by the charitable company during the year, described as full time equivalents was:

	2019 No	2018 No
Care Navigators	2.7	4.0
Key Management (CEO, Medical Director & Finance Director)	1.6	1.7
Senior Healthcare Navigator Coordinator / Healthcare Advisor	0.7	1.0
Senior Nurse (Nursing Fellow)	0.6	0.4
Communications Officer	0.7	0.7
Project Manager	0.5	-
Research and administration	2.3	2.6
	<b>9.1</b>	<b>10.4</b>

**Key management personnel**

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the charity and are represented by the trustees and the Executive Management Team, which comprise the Chief Executive, Finance and Administration Director and the Medical Director.

The number of key management personnel was 3 (2018 – 3) (Full time equivalent basis: 1.6 (2018: 1.7)).

The total emoluments received by the key management personnel was £149,254 (2018: £159,246).

**Trustees' remuneration**

None of the trustees nor any persons connected with them received any remuneration as a result of them holding the office of trustee during the current or preceding year.

**5. Net movement in funds**

This is stated after charging:

	2019 £	2018 £
Auditors' remuneration		
. Statutory audit services	7,830	7,830

**Notes to the financial statements:** year ended 31 March 2019

**6. Trustees' expenses**

Expenses of £431 were paid to one trustee during the year (2017: £132 to one trustee).

**7. Trustees' indemnity insurance**

The charitable company purchased insurance to cover the trustees for costs and expenses incurred in respect of claims arising out of an actual or alleged wrongful act committed in good faith. It is not possible to identify separately the cost of the indemnity insurance.

**8. Taxation**

Pathway is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

**9. Debtors**

	2019 £	2018 £
Trade debtors	40,874	26,530
Other debtors	2,726	2,853
Accrued income	6,545	2,729
Prepayments	2,026	9,300
	<b>52,171</b>	<b>41,412</b>

**10. Creditors: amounts falling due within one year**

	2019 £	2018 £
Trade creditors	33,142	28,866
Accruals	23,051	23,828
	<b>56,193</b>	<b>52,694</b>

**11. Unrestricted funds**

	At 1 April 2018 £	Income £	Expenditure £	At 31 March 2019 £
General unrestricted funds	226,859	363,977	(330,593)	<b>260,243</b>

	At 1 April 2017 £	Income £	Expenditure £	At 31 March 2018 £
General unrestricted funds	288,150	300,946	(362,237)	226,859

Notes to the financial statements: year ended 31 March 2019

12. Restricted funds

	At 1 April 2018 £	Income £	Expenditure £	At 31 March 2019 £
Greater London Authority	5	9,187	(9,192)	—
The Health Foundation	42,795	56,383	(99,178)	—
Department of Health	45,309	—	(27,745)	17,564
Royal Free & Hampstead NHS Foundation Trust	35,000	—	—	35,000
Justlife Foundation	5,799	—	(2,031)	3,768
Homed and other – Donations for Brighton	2,050	—	—	2,050
London Housing Foundation	1,204	—	(1,204)	—
London Catalyst	738	—	(153)	585
Merchant Taylors Charitable Company	245	—	(245)	—
Garfield Weston Foundation	14,348	—	(14,348)	—
Mental Health & Rough Sleeping Donation	3,132	—	—	3,132
Goldsmiths' Company Charity	27,000	—	(27,000)	—
John Ellerman Foundation	—	44,485	(41,940)	2,545
Crisis UK	830	5,000	(4,913)	917
The Oak Foundation	16,497	181,637	(59,455)	138,679
Lankelly Chase Foundation	9,970	97,000	(80,120)	26,850
Queen Mary University London	—	29,600	(1,526)	28,074
Trust for London	1,761	15,000	(15,617)	1,144
AB Charitable Trust	—	15,000	(2,821)	12,179
Health Education England	55,946	20,000	(32,888)	43,058
Drapers Charitable Company	245	—	(245)	—
UCLH Charities	—	8,890	(8,890)	—
Tesco Bags of Help	2,850	3,800	(5,514)	1,136
Grocers' Company	5,000	—	(500)	4,500
University College London NHS Foundation Trust	—	79,425	(64,200)	15,225
The Burdett Trust for Nursing	46,505	—	(43,563)	2,942
Marie Curie Cancer Care	—	6,167	(6,167)	—
UCLH Friends	—	4,880	(3,792)	1,088
Stephen Clark Charitable Settlement	—	4,000	(371)	3,629
University College London	—	1,900	—	1,900
London Solicitors Company	—	1,000	—	1,000
Austin & Hope Pilkington Trust	—	1,000	(900)	100
Donations for patients phones UCLH	—	500	(50)	450
Donations for Faculty for Homeless & Inclusion Health	—	117	—	117
	317,229	584,971	(554,568)	347,632

Notes to the financial statements: year ended 31 March 2019

12. Restricted funds (continued)

	At 1 April 2017 £	Income £	Expenditure £	At 31 March 2018 £
Greater London Authority	—	9,187	(9182)	5
The Health Foundation	—	51,586	(8,791)	42,795
Department of Health	68,326	—	(23,017)	45,309
Royal Free & Hampstead NHS Foundation Trust	20,000	—	15,000	35,000
Justlife Foundation	11,750	—	(4,601)	7,149
Homed and other – Donations for Brighton	700	—	—	700
London Housing Foundation	2,752	—	(1,548)	1,204
London Catalyst	200	1,000	(462)	738
Merchant Taylors Charitable Company	—	—	245	245
Garfield Weston Foundation	—	50,000	(35,652)	14,348
Mental Health & Rough Sleeping Donation	2,862	750	(480)	3,132
Public Health England	573	—	(573)	—
Goldsmiths' Company Charity	—	30,000	(3,000)	27,000
Crisis UK	4,206	5,000	(8,376)	830
The Oak Foundation	93,447	28,760	(105,710)	16,497
Lankelly Chase Foundation	507	97,000	(87,537)	9,970
South London & Maudsley NHS Trust	—	16,484	(16,484)	—
Trust for London	11,277	30,000	(39,516)	1,761
Health Education England	20,021	63,925	(28,000)	55,946
Drapers Charitable Company	—	—	245	245
UCLH Charities	—	37,570	(37,570)	—
Hastings Borough Council	6,024	—	(6,024)	—
East Sussex County Council	—	5,520	(5,520)	—
Tesco Bags of Help	—	2,850	—	2,850
University College London	—	10,838	(10,838)	—
St Mungo's	—	2,981	(2,981)	—
Grocers' Company	—	5,000	—	5,000
University College London NHS Foundation Trust	—	62,400	(62,400)	—
The Burdett Trust for Nursing	—	52,432	(5,927)	46,505
	<u>242,645</u>	<u>563,283</u>	<u>(488,699)</u>	<u>317,229</u>

Greater London Authority

A grant of £18,374 was awarded in October 2017 to fund continuation of the work to provide advice, guidance, support and training on Mental Health Service Interventions for Rough Sleepers for twelve months.

The Health Foundation

A grant of £103,172 was awarded in December 2017 to fund the exploration of social franchising and licensing as a tool to spread Pathway's hospital team model and to secure a sustainable funding stream for the core charity. The funding covered the design and systemise phases of the project, and the Health Foundation approved funding of £389,430 to take the project into validation phase from March 2019. The validation phase is scheduled to run until August 2020.

Department of Health

In October 2013, a grant of £469,145 was secured from the Department of Health's Homeless Hospital Discharge Fund to develop a pilot medical respite centre. Work was undertaken during 2015/16 to develop, launch and implement a pilot project Pathway to Home.

## 12. Restricted funds (continued)

### Department of Health (continued)

Reports of Pathway's work on medical respite were published in 2016, and a seminar to showcase and discuss various studies was held in January 2017. Work continues to investigate ways to develop the medical respite and other step down options for homeless patients leaving hospital.

### Justlife Foundation

In April 2014 the collaborative partnership led by Justlife Foundation was awarded funding from Brighton and Hove NHS Clinical Commissioning Group (CCG) to continue the service Pathway+ in Brighton. As lead partner, Justlife Foundation received the funding and paid Pathway on a staged basis. The service was re-tendered during 2016, and Arch Health CIC won the contract from 1 February 2017. The remaining funds held by Pathway from Justlife Foundation for the Brighton service are being used to pay for miscellaneous expenses and reflective practice for the team.

### University College London Hospital NHS Foundation Trust

UCLH NHS Foundation Trust approved a business case in 2013 to fund four sessions a week of a GP for its Pathway led hospital homeless team and also to provide a second nurse for the service. The funding paid to Pathway pays for the GP's services, and in 2018/19, additional funding was agreed to fund pay costs of a Care Navigator for six months.

### The Oak Foundation

In September 2018 The Oak Foundation approved a grant of £337,668 over two years to build on the research end of life care project for homeless people by developing further, implementing and evaluating the training programme for agencies working with homeless people. The project, entitled Palliative Care Training, commenced in September 2018.

### Lankelly Chase Foundation

In August 2015, Lankelly Chase Foundation approved a grant of £210,000 over three years to support the work of the Faculty for Homeless and Inclusion Health. The third and final tranche of funding was paid in August 2018 following agreement of the second monitoring report.

### Health Education England

In March 2016, Health Education England provided a grant of £48,350 towards project 'Resilient 1' the production of an educational film and materials aimed at preventing homelessness among vulnerable young people with severe mental illness. The materials will be used to provide training and participatory engagement resources to the staff of Tier 4 CAMHS units across the UK. Work started on the project in April 2016, and continues following the award of a further grant of £46,525 by Health Education England in 2017/18. Filming on location commenced early in 2019.

A grant of £17,400 from Health Education England was paid to Pathway in March 2018 for the provision of the 2<sup>nd</sup> Nation Socially Inclusive Dentistry conference which was held in Birmingham in December 2018.

A grant of £20,000 to develop e-learning modules in inclusion health was paid to Pathway in March 2019, and the modules are expected to be completed in late summer 2019.

### Goldsmiths' Company Charity

In November 2017, the Goldsmiths' Company Charity agreed a grant of £30,000 towards the educational film and materials aimed at preventing homelessness among vulnerable young people with severe mental illness. Filming on location commenced in late 2018/19.

**12. Restricted funds** (continued)

Trust for London

In March 2015, Trust for London awarded a grant of £90,000 over three years to deliver and evaluate a model of legal advice for homeless people in hospital on housing and other related issues. The final payments were claimed in 2018/19 to support the work taking place in UCLH, King's Health Partners' and Royal London teams. This phase of the legal advice ended in June 2018 following which an evaluation report was prepared. A half day evaluation event with partners was hosted by Trust for London in April 2019.

UCLH Charities

In October 2016, following the success of Pathway to Home at the Olallo House, UCLH Charity agreed a two year grant - £15,000 per year – to support patients who are discharged from Hospital at Home, but who need a few more days stay in Olallo House while Pathway staff at UCLH get onward arrangements e.g. housing or travel, sorted out. Up to the end of March 2019 £28,770 of the grant had been spent and drawn down.

The Burdett Trust for Nursing

In December 2017, The Burdett Trust for Nursing paid a grant of £44,432 for a year-long project to develop a competency framework and network for nurses working with homeless and multiply excluded patients across the UK. Work commenced in January 2018, and the final report is being prepared. A small final workshop with nurses involved is planned for the autumn and will be funded by the residual balance of the grant.

In January 2018, an additional grant of £8,000 was awarded for Pathway to review the London Network of Nurses and Midwives Homeless Group, and to help them develop a future business plans and structures and a new website.

University College London

In March 2019, UCL provided funding for Pathway to support groups of people with lived experience to participate in planning and delivering the launch of the new Collaborative Centre for Inclusion Health.

Royal Free and Hampstead NHS Foundation Trust

In December 2017, the Royal Free and Hampstead NHS Foundation Trust agreed that the funds being held for a pilot service in their hospital of £20,000 plus a £15,000 creditor could be used to explore and develop provision for homeless patients leaving the hospital.

Tesco Bags of Help

In January 2018, we received confirmation that we had come first in the token scheme run in Tesco stores around the Royal London hospital. This has led to an award of £3,800 for a homeless patients' dignity fund for the Pathway team in the hospital. The final balance of £950 was received in 2018/19.

In summer 2019, we received confirmation that we had come first in the token scheme run in Tesco stores around the Brighton and Sussex Hospital. This led to an award of £3,800 for a homeless patients' dignity fund for the Pathway team in the hospital. The first payment of £2,850 was paid in 2018/19.

London Catalyst

A further grant of £1,000 was made in September 2017 for a homeless patients' dignity fund for the Royal London hospital.

Crisis

Crisis, once again, awarded a grant of £5,000 for the support of a group of Experts by Experience to attend the Faculty of Homeless and Inclusion Health's 2019 International Conference.

**12. Restricted funds** (continued)

AB Charitable Trust

In November 2018, AB Charitable Trust awarded a grant of £15,000 for the continued provision of legal advice to homeless people in hospital on housing and other related issues in UCLH and Pathway patients in the south London hospitals.

Grocers' Company

In February 2018, the Grocers' Company awarded a grant to Pathway for the development and piloting of a Mental Health and Trauma training resource. Work on the project began in 2018, and a pilot of the training module was run at the Faculty for Homeless and Inclusion Health's conference in March 2019.

City of London Solicitors' Company

In February 2019, the City of London Solicitors' Company awarded a grant of £1,000 towards the continued provision of legal advice to homeless people in hospital on housing and other related issues in London hospitals where there is a Pathway team.

Queen Mary University London (QMUL)

In September 2018, QMUL paid £29,600 to Pathway which is a grant awarded by Barts Charity for an assessment of needs for a Pathway team in Newham hospital. Work commenced in December 2018 and continues into 2019-20.

Marie Curie Cancer Care

Funding contribution (£6,167) towards the work on end of life care planning for homeless people project was agreed in early summer 2018.

UCLH Friends

A grant of £4,880 was agreed to produce and publish a handbook that could be given to homeless patients attending or admitted to UCLH. The booklet was launched in the autumn 2018.

John Ellerman Foundation

A grant of £44,485 was awarded in June 2018 towards the educational film and materials aimed at preventing homelessness among vulnerable young people with severe mental illness. Filming on location commenced in late 2018/19.

Stephen Clarke Charitable Settlement

In October 2018, Pathway received a grant of £4,000 towards the cost of supporting the work of the Pathway team in Bristol.

Austin & Hope Pilkington Charitable Trust

In November 2018, Pathway were awarded a grant of £1,000 towards the cost of supporting a small group of people with lived experience of being homeless (Experts by Experience) to be ambassadors for Pathway.



**Notes to the financial statements:** year ended 31 March 2019

**13. Analysis of net assets between funds**

	Unrestricted funds £	Restricted funds £	Total 2019 £
Current assets	279,702	384,366	<b>664,068</b>
Current liabilities	(19,459)	(36,734)	<b>(56,193)</b>
<b>2019 net assets</b>	<b>260,243</b>	<b>347,632</b>	<b>607,875</b>
	Unrestricted funds £	Restricted funds £	Total 2018 £
Current assets	244,988	351,794	596,782
Current liabilities	(18,129)	(34,565)	(52,694)
<b>2018 net assets</b>	<b>226,859</b>	<b>317,229</b>	<b>544,088</b>

**14. Related party transactions**

No transactions have taken place with organisations in which a member of the board of trustees has an interest.

**15. Controlling party**

The trustees make up the membership of the charitable company. There is no overall controlling party.

**16. Members' liability**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member or within one year after he/she ceases to be a member, not exceeding £1.

