Company Registration No. 05774171 (England and Wales)

PATHWAYS COMMUNITY INTEREST COMPANY

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

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PATHWAYS COMMUNITY INTEREST COMPANY

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PATHWAYS COMMUNITY INTEREST COMPANY

BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Tangible assets	3		165,481		188,196
Investments	4		60,189		45,149
			225,670		233,345
Current assets					
Debtors		387,077		227,343	
Cash at bank and in hand		524,537		682,597	
		911,614		909,940	
Creditors: amounts falling due within one year		(57,173)		(79,470)	
Net current assets			854,441		830,470
Total assets less current liabilities			1,080,111		1,063,815
Creditors: amounts falling due after more than one year			(60,000)		(104,231)
Provisions for liabilities			(5,227)		(5,000)
Net assets			1,014,884		954,584
Capital and reserves					
Called up share capital	5		101		101
Profit and loss reserves			1,014,783		954,483
Total equity			1,014,884		954,584

PATHWAYS COMMUNITY INTEREST COMPANY

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2018

In accordance with section 444 of the Companies Act 2006 all of the members of the company have consented to the preparation of abridged financial statements pursuant to paragraph 1A of Schedule 1 to the Small Companies and Groups (Accounts and Directors' Report) Regulations (S I 2008/409)(b).

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 14\12\18......
and are signed on its behalf by:

....

Mrs Y Clarke
Director

Company Registration No. 05774171

PATHWAYS COMMUNITY INTEREST COMPANY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Company information

Pathways Community Interest Company is a private company limited by shares incorporated in England and Wales. The registered office is 86 Timbrell Avenue, Crewe, Cheshire, CW1 3LY.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.3 Tangible fixed assets

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

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

Land and buildings Freehold	
Computer equipment	33% on cost
Fixtures, fittings & equipment	15% on cost
Motor vehicles	25% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss

1 Accounting policies **(Continued)**

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.5 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial instruments

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

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax

Current tax

The tax currently payable is based on taxable profit for the year Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority

1 Accounting policies **(Continued)**

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

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

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 35 (2017 - 34)

3 Tangible fixed assets

	Land and buildings Freehold	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2017	121,289	44,904	10,826	140,495	317,514
Additions	-	4,047	-	-	4,047
At 31 March 2018	121,289	48,951	10,826	140,495	321,561
Depreciation and impairment					
At 1 April 2017	-	42,154	4,484	82,680	129,318
Depreciation charged in the year	-	3,081	1,621	22,060	26,762
At 31 March 2018	-	45,235	6,105	104,740	156,080
Carrying amount					
At 31 March 2018	121,289	3,716	4,721	35,755	165,481
At 31 March 2017	121,289	2,750	6,342	57,815	188,196

4 Fixed asset investments

	2018	2017
	£	£
Investments	60,189	45,149

Fixed asset investments are included in the financial statements at the market value prevailing at the year end

Movements in fixed asset investments

	Investments other than loans
	£
Cost or valuation	
At 1 April 2017	45,149
Additions	2,514
Valuation changes	12,526
At 31 March 2018	60,189
Carrying amount	
At 31 March 2018	60,189
At 31 March 2017	45,149

5 Called up share capital

	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
101 Ordinary shares of £1 each	101	101
	101	101

6 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows

	2018	2017
	£	£
	1,302	2,170

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Community Interest Company Report

For official use *(Please leave blank)*	
Company Name in full	Pathways Community Interest Company
Company Number	577171
Year Ending	31 March 2018

Please complete in typescript, or in bold black capitals.

PART 1 - GENERAL DESCRIPTION OF THE COMPANY'S ACTIVITIES AND IMPACT

In the space provided below, please insert a general account of the company's activities in the financial year to which the report relates, including a description of how they have benefited the community.

Recognising our mission is to seek to improve health and wellbeing for the communities we serve by promoting positive health, positive lifestyles, positive employment and positive families we have received 3301 referrals this year from GPs, Primary Care, Local Authorities, Employers and clients themselves.

- Pathways received 610 referrals from GPs for people not in work with health conditions, many of whom are statistically more likely to retire or die than move into employment, accessed holistic wellbeing, health and employment support, accessed via a bespoke primary care facing health and work care pathway. Outcomes for 69% of clients include

1. Moving into voluntary work
2. Moving onto work placement
3. Engaging in education and skills
4. Increasing in confidence
5. Undertaking vocational rehabilitation
6. Improving clients' ability to self-care
7. Attending job interviews
8. 12% of clients moved into jobs of which 96% sustained these jobs for 6 months plus.
9. 33% of clients with complex health needs, whom did not see work as an option due to their health, have moved onto a two-year employability programme.

- Pathways received 750 referrals from GPs for clients off sick from work to receive bespoke biopsychosocial support to enable them to return to work quicker than without an intervention. Physiotherapy and psychological therapies were provided within 3 working days of assessment, coupled with wellbeing and social determinants of health support, resulting in 81% returning to work quicker than without an intervention
- Pathways have also provided a primary care facing social prescribing service, coupled with a voluntary sector single point of access for primary care which has received 538 referrals for adults of all ages to access practical 'hands on' support to deal with the social determinants of health in Cheshire
- Pathways have received 293 referrals for social prescribing service and health coaching for adults of all ages to access support they need to improve their wellbeing in Manchester
- Primary Care and Family Services in Salford have referred 1110 people to receive a behavioural change programme for adults with complex needs to improve their wellbeing supporting clients to achieve at least two of the following criteria

1. 40% quitting smoking,
2. 25% reducing alcohol intake to safe levels,
3. 80% improving the level and frequency of physical activity,
4. 20% supporting people to lose at least 5% weight loss,
5. 70% improving their mental wellbeing,
6. improving self management of long term conditions
7. 80% improving their employability

We have retained the ISO9001 and ISO27001 which recognises our commitment to quality and information security for the clients we serve.

The average quality-adjusted life year gain per person shows a corresponding monetary equivalent of £1,400 per user, based on the NICE willingness-to-pay of £20,000 per quality of life adjusted year. This demonstrates Pathways services are highly cost effective and as a consequence of our services showing a minimum of a 46-day reduction in waiting times versus incumbent NHS mental health services, Pathways is working tirelessly to enable clients to access the services clients need, on time. Pathways has saved the public purse £2,703, 247 over the financial year.

PART 2 – CONSULTATION WITH STAKEHOLDERS – Please indicate who the company's stakeholders are; how the stakeholders have been consulted and what action, if any, has the company taken in response to feedback from its consultations? If there has been no consultation, this should be made clear.

Our Stakeholders are
NHS Commissioners,
NHS Services
Local Authorities
GP Federations
Department for Work and Pensions
Department of Health and Department for Work and Pensions Joint Unit
Maximus
Ingeus
Big Life
The Growth Company
Healthy Working Futures
Healthy Living Consortium (third sector partnership)
In excess of 400 third sector organisations which we refer/signpost our clients to across Cheshire/Manchester
Local communities
Clients
Families/friends of clients
Liverpool University

All projects have a steering group comprising of all stakeholders pertinent to that project. Client/referrer experience questionnaires are completed, collated and acted upon in order to optimise project outcomes and for continuous improvements in services

(If applicable, please just state "A social audit report covering these points is attached").

PART 3 – DIRECTORS' REMUNERATION – if you have provided full details in your accounts you need not reproduce it here. Please clearly identify the information within the accounts and confirm that, "There were no other transactions or arrangements in connection with the remuneration of directors, or compensation for director's loss of office, which require to be disclosed" (See example with full notes). <u>If no remuneration was received you must state that "no remuneration was received" below.</u>

One Directors salary was £81,209 per annum. £1,000 was received by the other Director. There were no other transactions or arrangements in connection with remuneration of Directors, or compensation for Director's loss of office which require to be disclosed

PART 4 – TRANSFERS OF ASSETS OTHER THAN FOR FULL CONSIDERATION – Please insert full details of any transfers of assets other than for full consideration e.g. Donations to outside bodies. <u>If this does not apply you must state that "no transfer of assets other than for full consideration has been made" below</u>.

No transfer of assets other than for full consideration has been made.

(Please continue on separate continuation sheet if necessary.)

PART 5 – SIGNATORY

The original report must be signed by a director or secretary of the company	Signed		Date 3/12/2018

Office held (delete as appropriate) Director/Secretary

You do not have to give any contact information in the box opposite but if you do, it will help the Registrar of Companies to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Y Clarke, 86-88 Timbrell Avenue, Crewe, CW1 3LY	
	Tel
DX Number	DX Exchange

When you have completed and signed the form, please attach it to the accounts and send both forms by post to the Registrar of Companies at:

For companies registered in England and Wales: Companies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff

For companies registered in Scotland: Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF DX 235 Edinburgh or LP – 4 Edinburgh 2

For companies registered in Northern Ireland: Companies House, 2nd Floor, The Linenhall, 32-38 Linenhall Street, Belfast, BT2 8BG

The accounts and CIC34 **cannot** be filed online

(N.B. Please enclose a cheque for £15 payable to Companies House)