

**LIFE PATH TRUST LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2022**

LIFE PATH TRUST LIMITED
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FOR THE YEAR ENDED 31 MARCH 2022

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LIFE PATH TRUST LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

The Board of Trustees, who are the Directors of Life Path Trust, are pleased to present the Annual Report and Financial information for the year that finished on 31 March 2022. The information in this report includes the subsidiary companies Newpath Ventures Limited and Newpath Housing Limited in the group information.

Who are we?

Charity Name	Life Path Trust Limited
Charity Registration Number	1013242
Company Registration Number	2731429
Registered Office	511 Walsgrave Road Coventry CV2 4AG

The charity is managed during the year by a Board of Trustees who were:

Keith Chapman	(Re elected 22 nd January 2022)
Robert Hall	
Edward Lamb	
Philip Rusk	
Judy Ryan (Chair)	
Philip Emsden	
Peter Manger	
Jon Baines	
David Lole	(Resigned 31 st March 2022)
Roma Hawthorn	(Resigned 31 st March 2022)
Patricia Bogle	

Diane Perry Company Secretary

The Trustees have some professional advisers to help. These are:

Auditors	Crowe U.K. LLP Aquis House 49-51 Blagrove Street Reading, Berkshire RG1 1PL	
Bankers	NatWest 24 Broadgate Coventry CV1 1ZZ	
Solicitors	Hammons Solicitors Incorporating Payne Skillington The Old Bank 353 Walsgrave Road Coventry CV2 4BG	Anthony Collins LLP 134 Edmund Street Birmingham B3 2ES

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Insurance Brokers	Arthur Gallagher Temple Point 7th Floor 1 Temple Row Birmingham B2 5YB
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And to manage the charity day to day the Trustees have appointed staff.

The Senior Management Team during the period was as follows:

Chief Executive Officer	Diane Perry
Director of Operations	Elaine Skillern (resigned 5 th November 2021)
Head of Operations	Adam Tighe (appointed 8 th November 2021- resigned 4 th March 2022)
Director of Finance	Caroline Mitchell (appointed 4 th January 2022 - resigned 13 th July 2022)

The Trustees are responsible for presenting an annual report each year with financial statements that give a fair and true view of the activities of Life Path Trust. The report and statements have been prepared in accordance with the Statement of Recommended Practice (SORP) 2015 for Charities and the requirements of the Companies Act 2006 using the Special Provisions of Section 415A of the Act relating to small companies.

Our Vision

The vision of Life Path Trust is: People with learning disabilities live their lives to the full.

Our Mission

Our mission is: "To provide the best support and services to enable people to be valued, to develop and achieve".

Our Key Values

Choice –to have a choice in; how you live your life, where you live, where you work, what you do with your leisure time.

Rights – to have a right to; make decisions about living your life, live the life you want to, have a home of your own, support to achieve your ambitions, be recognised and valued as yourself.

Inclusion- to be able to (with support if needed); be involved in decisions about your life, have a voice, have your views and ideas listened to, participate in your local community.

Opportunity- To be given a chance to; develop your own path in life, undertake lifelong learning, achieve qualifications, have a job and be paid for working, follow interests of your choice.

Independence- to be able to; look after yourself as much as you can, make your own decisions, be supported where necessary, be safe and maintain wellbeing, understand and accept rights and responsibilities which maintain independence.

Responsibility- to understand that all the above carry responsibilities, you need to understand those responsibilities, you may need support to understand those responsibilities.

How do we work? - Structure, governance and management

The charity called Coventry Homes for Mentally Handicapped Citizens was formed in 1973 by a group of parents and concerned professionals. In 1991 the charity was incorporated as a company limited by guarantee with a Memorandum and Articles of Association, which set out how the charity is to be governed and its objectives. In 2004, the charity changed its name to Life Path Trust Limited to reflect more effectively the work it undertakes. In 2011, updated Articles of Association were adopted.

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Each year the charity's members elect a Board of Directors who are also the Trustees of the charity. Every year one third of the Trustees stand down, but can be re-elected by the membership. If the charity is wound up, members are required to pay £10.00.

All new Trustees have an induction, which includes all the main policies, the Charity Commission leaflet about Trustee responsibilities, a role description for Trustees, the charity's Articles of Association and other information about the charity's work. New Trustees will also meet with the Chair and the Chief Executive for an induction into their role.

The day-to-day running of the charity is delegated to the Chief Executive and the Senior Management team.

The Board of Trustees has established committees to look at:

- Finance and Audit
- Human Resources
- Health and Safety
- Strategy & Remuneration

Each committee has a remit and there is at least one Trustee involved.

The Board of Trustees meets every six weeks which was introduced during the pandemic in 2020 to support the executive team and align more closely with Committee meetings. The format for Board meetings now is themed alternately to focus on Finance and Strategy and Human Resources and Health and Safety.

How do we work - Risk management

The Trustees have delegated the review of the major risks to the committees responsible for key areas. Each committee reviews the major risks using a risk assessment tool, which covers all areas of risk identified by the Charity Commission in their report 'Charities and Risk Management' published in June 2010.

This ensures that we do not overlook any main risks and makes sure that we are consistent about the way we look at each risk. Against each identified risk, the control measures that are in place are recorded and any further action required is identified. The organisation's senior management team is responsible for taking any actions required by the risk assessment. The relevant project risks are also reviewed at each Committee meeting and then reported into Board meetings so that it is a dynamic process.

The main risks identified during the year have been:

- Risk to reputation and business continuity due to a CQC inspection in July 2021 which rated the Supported Living Service Inadequate and raised concerns about safeguarding.
- Covid 19 continuing through the year
- The increased National Living Wage, which increased the costs of providing support.
- Funding for social care as with Local Authorities having to spend less, there is less money for social care.
- Loss of Key staff in a difficult market for recruitment.

Risk to reputation and business continuity due to a CQC inspection of the Supported Living Service in July 2021 which rated the Supported Living Service Inadequate and raised concerns about safeguarding.

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Following a CQC inspection in a July 2021 the Supported Living Service was rated overall Inadequate and placed in special measures. At the same time Coventry City Council put a restriction on any new business for any of the services run by Life Path Trust (Supported Living, Day Opportunities and Short breaks). The restrictions on Community Opportunities and Short Breaks was lifted in November 2021 and are both fully operational with new referrals. The restrictions but have been maintained in the supported living service throughout the rest of the reporting period whilst Life Path Trust worked to an action plan.

The Trustees set up a weekly Risk and Recovery Committee and have continued to meet weekly to review progress on CQC actions with the CEO. Whilst there was negative reporting in the local press around the time of the CQC report being published in October this has not impacted in recruitment of new staff and all families have the opportunity to engage with the Trust about any concerns.

The Trustees recognised the additional costs of additional temporary resources to be used to support the CEO and Senior management team enable the issues raised by the CQC to be reviewed and addressed

This has included:

- Updated safeguarding training for all employees,
- A designated Trustee for Safeguarding (Peter Manger),
- An independent audit on Safeguarding together with an improvement action plan,
- New leaflets and guidance on how to use Whistleblowing policy
- Mental Capacity Act Briefings and Training for staff
- Updated Mental Capacity policy procedure and paperwork
- New Care planning paperwork
- New daily care records for improved recording and reporting
- New Audit procedures
- Values sessions for all employees (68% attendance within reporting period) to resist Core values and identify areas for improvement.

The Trustees also recognised that the serious safeguarding issues needed to be reported to the Charity Commission who undertook their own case review and Trustees will be conducting a lessons learned review of the Charity Commission findings which indicated that the Trustees needed to have more and appropriate oversight and that the failings in oversight were not intentional and do not constitute mismanagement or misconduct.

The Trustees will continue to implement the action plan from the independent safeguarding audit ensuring robust oversight.

The CQC re inspected the Supported Living Service on the 15th March 2021 and were not satisfied with the progress made. The CQC have therefore applied enforcement action to the Supported Living Service registration as the Service is still rated Inadequate and in special measures. The Trustees have made the difficult decision that despite the efforts made to improve the service, in the light of enforcement action and the difficult the operating climate that Coventry City Council were asked to find a new provider for the Supported Living Service. This decision enables continuity of service to Citizens of Life Path Trust and their families and employees.

The Short Breaks service continues to be rated Good by the CQC and will continue to be delivered by Life Path Trust.

COVID-19 continued to present challenges during the reporting period particularly in the maintenance of levels of staffing due to COVID. The Charity had taken a Risk Management approach at the beginning pf the pandemic which is now embedded in practice and enabled all supported living services to continue safely following the Government guidelines and the Government Social Care Action Plan.

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Employees working in the Supported Living Services which operated 24 Hours a day were supported by a team of key staff who operated from the office at Walsgrave Road providing personal protective equipment, updated Risk Assessments and continued to deliver a classroom based COVID safe training programme.

The office at Walsgrave Road continued to run as a COVID safe environment which enabled all teams to return to office based working though Trustee meetings continued online.

A full record of actions taken at each stage has been maintained by the CEO and overseen by the Health and Safety Committee so that progress of Life Path Trust journey throughout the pandemic has been fully documented and evidenced.

The Infection Control Grant (administered by the Local Authorities) enabled employees who had to isolate due to the COVID regulations to be paid for the isolation. The Government Infection Control Grant also supported staff costs in relation to testing and vaccination. Since late 2020, all employees including office-based staff are being weekly PCR tested and this segued into lateral flow testing twice weekly. This ensures effective management of the scenarios around isolating and tracking. Life Path Trust follows Government Guidance for Supported Living and Residential Homes which is required for the Supported Living and the Short Breaks Service respectively.

LPT has worked effectively to support employees and Citizens to gain access to vaccination programmes with a high rate of uptake 97.8% of employees and 100% of Citizens have been vaccinated.

The management of Risk has enabled LPT Supported Living Services to navigate as safely as possible through the pandemic with a successful record of accomplishment of supporting Citizens to stay well and safe living in their own homes.

Increase in National Minimum wage and Impact on fee uplifts

Local Authority uplifts do not match National Minimum wage and the Board of Trustees have been predicting the long term risk to the sustainability of services and recognise the need to ensure effective diversification of funding streams.

Loss of Key staff. During a significant part of the year there were gaps in the Senior Management team at Director of Finance, HR Manager and Head of Operations level. In relation to Finance the charity was supported by an interim and developed the effective teamwork of the finance team led by the Management Accountant, supported by CEO and Chair of finance committee, to enable all finance matters to be delivered. The Team also brought in a new payroll and HR system and in the difficult recruitment market utilized agencies to find a Finance Director and a Head of Operations. The strategic HR function has been supported by consultancy.

Life Path Trust benefited from the workforce recruitment and retention grant which was utilized to ensure continuity of weekend working and recruitment and retention of employees. During the challenging period employee recruitment continued including a restructure of the Supported Living Service to ensure more management support across the areas of delivery. The Short breaks and Community Opportunities team were also reorganised under one senior manager (registered manager) which has brought stability and consistency of leadership to those teams.

How we benefit everyone

The Trustees have made sure that Life Path Trust follows the Charity Commission guidance on public benefit. Our Articles of Association show we benefit the public and that our practices ensure that anyone with a learning disability can benefit from the Charity's work.

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What are we doing and how did we get on? - Objectives and activities

The charity's objectives as given in the Articles of Association are:

“the provision of care, assistance, support and relief of suffering amongst people who are disadvantaged by society due to health conditions, age infirmity or learning disabilities/difficulties, within the area of benefit;”

The area of benefit is England and Wales.

The main activities of the charity at present are:

1. Care and support

This covers supporting people in their own homes and providing personal care if needed. We also provide care and support in our short stay service to people with learning disabilities.

2. Supported employment

We provide supported employment to people with learning disabilities through our subsidiary Newpath Ventures Limited which runs a number of businesses. We also support people to find work experience with other employers through our ESF Employment Support Project Connect 2.

The Trustees have decided that the charity's objectives need to be interpreted and stated in a more useful way, which has been done through the mission statement and key values given earlier in this report. In 2021-22, year 3 of a 5 year strategic plan meant that due to the situation with CQC and the Supported Living Service operating in special measures, priority was given to safety and sustainability of the Charity. The strategic aims and objectives continued to be relevant are as follows:-

Strategic Aim 1. Sustainability to ensure Life Path Trust continues to achieve its Mission and Vision for Citizens.

Objectives include

1.1 Continue to deliver, retain and develop effective high quality services across current areas of delivery.

1.2 Recruit, train (provide appropriate accredited training) and retain high quality employees to provide support to Citizens.

Strategic Aim 2. Enable Citizens of Life Path Trust to live their lives to the full.

All staff and volunteers provide the best support and services to enable people to be valued, to Develop and Achieve.

All staff and volunteers deliver Services determined by the core values of Life Path Trust.

Strategic Aim 3. Develop and maintain the asset base of Life Path Trust to ensure maximum benefit is achieved for existing and future Citizens of Life Path Trust and the wider community.

Strategic Aim 4. Innovate to ensure the future of Service delivery to maintain independent, safe services for Citizens.

Strategic Aim 5. Enhance the involvement of Citizens and Families in Life Path Trust.

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Achievements

During the year, Life Path moved from its Oxford based Services successfully transferring the Day service at Chipping Norton to Guideposts Trust and developing a relationship with Guideposts which may have potential for future joint working on relevant projects.

Appointeeship Service

Life Path commenced the transfer of the Appointeeship service to Age UK in Coventry. The decision to transfer was to reduce the risk to Life Path Trust and ensure that the Citizens are in future supported by Coventry City Council Contracted Appointeeship Service.

Supported Living.

Over the year, the weekly supported living hours were 5124.34 delivered to 98 Citizens across Coventry This support was maintained over 24 hours a day and 7 days a week .

Community Day Opportunities continued to deliver Services from the Henry Fry Centre in a group setting and one to one in the community and in partnership with a number of organisations. Easing of Covid restrictions has enabled citizens to experience a range of community activities such as:

Cinema, Swimming, Geek Retreat (community games) Salvation Army singing group, Salvation Army friendship group, WASPS rugby club partnership in health and fitness, Partnership with the Notables – music, Citizens volunteering at the food bank weekly , Public health video to encourage vaccinations for adults with disabilities. We are also supported by Warwick Road Church.

This provided 88 person days per week and Citizens also accessed day opportunities at Kingshill Nursery and Four Seasons Function room which provided 51 person days per week.

Supported Employment Projects (Connect2)

Life Path Trust is no longer a partner with the Accelerate project but all participants transferred to the Connect2 project.

Connect2 supports unemployed and economically inactive people living in Coventry to achieve their ambitions for employment, new business start-up and further education and training. Flexible personalised support is tailored to individual need. Life Path Trust is a specialist partner supporting people with Learning Disabilities.

During the pandemic a more blended approach took place to engage participants , working methods were changed in respect of face-to-face contact with participants, which was initially challenging. Through well-being, calls and positive mentoring all participants have remained engaged. Participants came from both within Life Path Trust as part of their journey of independence and externally too. Social Media was used to promote the service.

All participants have continued to receive full support throughout the year as we came out of the pandemic

It was found that during this period the support participants have needed was not about people finding work but having some kind of contact and boosting people's well-being.

The project team decided to make a podcast to capture people with learning disabilities—stories of work and their community. We wanted to hear about the ups and downs and struggles of everyday life. To give people a better insight into Learning disabilities in Coventry.

We asked some people on the project to participate in a pilot called the Hope program, a six-week course to help people with anxiety and stress and enhance well-being.

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It's the first time the program has worked with people with learning disabilities and has a great possibility that this could get funded again to work with a new group of participants going forward. The Hope Project has expressed an interest in working in partnership as it has accessed funds.

On our last audit visit, we were given a glowing reference and a brilliant report. We were classed as innovative and always looking to do new things that no other partner was doing across-projects. We are currently supporting 30 participants across Coventry.

Citizens Engagement in Governance and Quality

The involvement of Citizens in the governance and quality management system of Life Path Trust is through the Citizens Board and the Quality Checkers. The Citizens Board met again during October 2021 but the Quality checkers were still impeded by COVID and have not been restarted as a group

Short Breaks. The Short Break Service had received a Good rating from its Care Quality Commission (CQC) inspection at the end of 2019 and has received an Infection control inspection and remains a Good Rating. After being closed for the pandemic it is now able to function at full capacity. The service is now linked in with the community day opportunities team under the leadership of a new registered manager and is continuing to develop opportunities for daily living as well as short breaks.

Life Path Trust set up **Newpath Housing** in July 2020 as a subsidiary to deliver landlord services as required and this has not taken on any landlord services.

New Path Ventures

Newpath Ventures has continued to increase the opportunities to Citizens who support the plant nursery at Kingshill as coworkers as part of their day opportunities. The nursery has improved its financial performance under the leadership of a new grower and hard work on the part of the team to continue to deliver two plant festivals in May and December per year. The hanging basket market is also increasing with repeat customers every year due to the outstanding quality and design.

The Four Seasons was not to be able to recruit a full time chef in the reporting period but has now been successful. The Four seasons has adapted being supported by existing catering staff and recruited a new care and catering assistant to support Citizens who attend the Four Seasons. A pop up café has functioned over the reporting period on 3 days a week and is evolving.

In summary, it's been a challenging year in the Supported Living Service but other services have been steadily modifying and developing as we have come through the pandemic.

Money - Financial Review

For Care and Support	£ 6,097,023
Supported employment income	£ 331,953
Donations, gifts and grants	£ 447,894
Rental income and investments	£ 95,991

Money we spend:

Running the services	£ 7,423,598
Raising money	£ nil

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Money – Reserves

The Trustees have reviewed the Charity's needs for reserves in line with the guidance issued by the Charity Commission. The holding of reserves has been considered alongside the major risks that the organisation is facing at the time of the review. Risk management is now considered at every Quarterly Board meeting.

The Reserves Policy will be reviewed on an annual basis at the February Finance Committee to establish:

1. what benefit there will be in holding such reserves
2. the level of reserves required each year, based on the income and expenditure pattern for the following year
3. what action is required to meet the agreed level of reserves
4. in what form the reserves are to be held

TYPE OF RESERVES HELD BY LIFE PATH TRUST

1) Designated Reserves

These funds are set aside for a specific purpose.

a) Refurbishment of premises

The Charity operates in different types of premises:

(i) Freehold ownership

Those which Life Path Trust owns the freehold ownership for the charity has the responsibility for refurbishment and major repairs.

(ii) Leased properties

Where Life Path Trust provides a service to adults with learning disabilities in a property that it rents from another organisation and collects a service charge that covers repairs and maintenance, it has the responsibility for those costs covered by the relevant management agreement with the relevant Registered Social Landlord/ or other landlord. Where there is no service charge arrangement the repair and refurbishment costs are met by the landlord who carries all the property risk.

For owned premises 5% of cost is transferred into the fund each year for repairs and maintenance.

As agents for landlords, the figure should be assessed annually based on any excess of service charge income after expenses via the service charge mechanism.

b) Property Development Fund

A large legacy was received by the charity in the year ending 31st March 2013 of £91,676 and put into this new fund so that it could be used for developments. There is also an annual donation of £25,000 which is put into this fund. It was agreed that this donation would be put into this fund from year end 31st March 2016 with the idea that it would grow the fund.

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c) Service Development Fund

This is set aside for any legacy income to ensure that it can be used to develop value added services for citizens. It is currently being used to fund a volunteer co-ordinator to assist with the recruitment of volunteers and creating and managing the citizens board.

2) Restricted Reserves

These are reserves where funds have been provided with specific terms as to how they are to be spent. This type of reserve can only be released when the explicit costs are incurred.

3) Unrestricted Reserves

The charity should hold unrestricted reserves for two purposes:

a) To cover known future expenditure

To safeguard the Charity's service commitments in the event that there are delays in the receipt of funds available to provide the services to meet our stated objectives. There should be reserves to be able to meet 3 months running costs. The reserves will be cash backed with the remainder backed by short term debtors.

b) In the event of the Charity ceasing to operate funds or insolvency to enable the closing of the Charity.

At the year-end free reserves are £777,910 (2021: £1,434,206) which represents 1.25 months operating costs. Our aim is to hold 3 months of operating costs in free reserves to cover our cash flow requirements. The cover has increased in part due to the release of the Sleep-in designated reserve.

Given the uncertainty of funding for the social care sector the Trustees are conscious that the free reserves need to be higher and will consider this issue as part of their ongoing decision making processes over the next year.

Money - Investment powers and performance

The Articles of Association which govern the charity give the Trustees wide powers to invest any money. As money is only being kept to make sure we can run the charity efficiently, the money is only invested in places that are safe and allow us to get the money if it is needed.

During the year we earned £141 (2021: £816) in interest on our cash balances.

Money - Pensions

Life Path Trust has a stakeholder defined contributions pension scheme that all staff are eligible to join after 3 months. Life Path Trust contributes 3% of salary of members to the pension.

The stakeholder pension scheme is operated by Aegon.

Money – Setting pay for key staff

The Trustees set the pay of key staff each year at the same time that the pay scales for all staff are agreed. All pay scales are set by benchmarking jobs against similar jobs in the charity sector and our ability to pay.

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Money – Major events

The major events which remain outstanding in 2021/ 22 is the National Living Wage, the inability of the Social Care Sector Funding to increase fees in line with wage uplifts and the impact of staff sickness due COVID isolation. We continue to recognise that financial prudence has meant that the charity has funds on which to draw in challenging times and have claimed all grant support through the infection control fund to support additional costs of COVID. A bigger impact this year has been the loss of income when care packages have changed and Life Path has not been able to take on new packages. This has had a substantial impact on losses incurred.

What are we going to do next year?

The transfer of the Supported Living Service to a new provider in mid-July will mean that the Trustees will need to review the strategic direction of the Charity building on the remaining business units and looking to develop projects which continue to support the Vision, Mission and Values of the Charity

- To ensure Life Path Trust continues to achieve its Mission and Vision for Citizens
- Enable Citizens of Life Path Trust to live their lives to the full
- Develop and maintain the asset base of Life Path Trust to ensure maximum benefit is achieved for existing and future citizens of Life Path Trust and the wider community
- Innovate to ensure the future of service delivery to maintain independent, safe services for citizens
- Enhance the involvement of citizens and families in Life Path Trust
- Through the way we deliver services, raise awareness and challenge negative stereotypes and attitudes towards people with learning disabilities

Over the coming year the business plan will be amended to ensure that service delivery is consolidated to meet the requirements of new ways of working. This will impact across the whole Life Path Group including Kingshill and Four Seasons at Newpath Ventures.

The Four Seasons has now recruited a chef and will review the pop up ventures, including a café and varied use of the venue including regular classes such as yoga. It will start to open again to larger functions as enquires continue to increase.

In the coming year work will continue to develop the asset base of Life Path Trust. This involves the setting up of Landlord services through Newpath Housing, which will take back properties owned by Life Path Trust currently run by a Housing Association due to the requirements that the support provider cannot be landlord. As Life Path Trust will no longer be a support provider this conflict will no longer exist.

There will also be strategic consideration given to the realizing the monetary potential of the site at Walsgrave Road which will be progressed over the coming 12 months. This site has renewed planning permission for the development of retirement flats.

The new quality management system and HR system will enable real time reporting to ensure effective management and support to Citizens and staff. The quality system will be maintained in all remaining services and will be developed for use in Landlord services.

The Citizens Board format will continue but will be reviewed to be engaged in consultation as tenants of landlord services as well Citizens of Life Path Community Opportunity and Short breaks services. There will be a focus on recruiting more volunteers to support Citizens undertaking day opportunities and at Kingshill Nursery.

We are also continuing to develop the ESF match funded supported employment projects in conjunction with Coventry City Council.

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New Projects

The charity will look to develop the opportunities for qualification based horticultural courses through Coventry Training Consortium and Newpath ventures. The charity will also explore the development of new services to support the wellbeing agenda using the 6 acres site at Kingshill Nurseries. This may be in partnership with other organisations and will look for grant funding to support.

Fundraising

As part of the strategic review the Charity will look to develop community based fundraising activity.

The charity had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

Disability Confident Employer

Life Path Trust is registered at level 2 as a Disability Confident employer. The Disability Confident scheme Disability Confident is a government scheme designed to encourage employers to recruit and retain disabled people and those with health conditions.

Life Path Trust also employs the use of Occupational Health professionals to enable employees to obtain maximum support to continue in their roles.

Provision of information to auditors

The people who are Directors when this report is approved agree that:

- so far as they are aware, there is no audit information that has not been given to the Auditors
- They have taken all the steps they should take to be aware of any information needed by the Company's Auditors so they can prepare their report.

Auditors

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

The trustees have agreed these financial statements which have taken advantage of the small companies exemptions provided by section 415a of the Companies Act 2006.

The Trustees Report has been approved by the Board of Trustees on 6 December 2022 and is signed on their behalf by:



Judy Ryan
Chair

LIFE PATH TRUST LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Life Path Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Report, and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of its net incoming resources for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LIFE PATH TRUST LIMITED

Independent Auditor's Report to the Members

Opinion

We have audited the financial statements of Life Path Trust Limited ('the charitable company') and its subsidiaries ('the group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, The Group and Company Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and 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 group's and the charitable company's affairs as at 31 March 2022 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

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 group 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.

Material uncertainty related to going concern

We draw your attention to note 2 in the financial statements, which states that the trustees assessment of Going Concern is based on the presumption that the charity can extend its current planning permission and sell the land at the Walsgrave site. As a result of the uncertainty around these events, a material uncertainty exists which may cast doubt on the charity's ability to continue as a Going Concern. Our opinion is not modified in respect to this matter.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LIFE PATH TRUST LIMITED

Other information

The trustees are responsible for the other information contained within the annual report. 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within 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 and proper accounting records have not been kept; 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 page 14, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LIFE PATH TRUST LIMITED

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were CQC Regulations for service providers and managers, the Care Act 2014, COVID-19 regulations, General Data Protection Regulation (GDPR), Health and safety legislation, and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recognition of income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance Committee about their own identification and assessment of the risks of irregularities, substantive testing on income, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LIFE PATH TRUST LIMITED

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 and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Janette Joyce

Senior Statutory Auditor

For and on behalf of
Crowe U.K. LLP
Statutory Auditor

Reading

Date: 6 December 2022

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

LIFE PATH TRUST LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	<i>Total Funds 2021 £</i>
Income and endowments from:					
Donations	4	305,548	68,881	374,429	389,956
Other trading activities:					
- Rental income		95,850	-	95,850	95,300
Charitable activities:					
- Care and support	5	6,097,023	-	6,097,023	7,366,460
- Supported employment income	6	331,953	-	331,953	215,924
Investments					
- Bank interest received		141	-	141	816
Other		<u>73,465</u>	<u>-</u>	<u>73,465</u>	<u>-</u>
TOTAL INCOME		<u>6,903,980</u>	<u>68,881</u>	<u>6,972,861</u>	<u>8,068,456</u>
Expenditure on:					
Charitable activities:					
- Care and support		7,094,942	2,709	7,097,651	7,693,174
- Supported employment costs	6	<u>325,947</u>	<u>-</u>	<u>325,947</u>	<u>290,788</u>
TOTAL EXPENDITURE	7	<u>7,420,889</u>	<u>2,709</u>	<u>7,423,598</u>	<u>7,983,962</u>
Net income and net movement in funds		(516,909)	66,172	(450,737)	84,494
Transfer		79,684	(79,684)	-	-
Reconciliation of funds:					
Total funds brought forward		<u>3,389,044</u>	<u>27,437</u>	<u>3,416,481</u>	<u>3,331,987</u>
Total funds carried forward		<u>2,951,819</u>	<u>13,925</u>	<u>2,965,744</u>	<u>3,416,481</u>

The notes on pages 22 to 42 form part of these financial statements

LIFE PATH TRUST LIMITED
BALANCE SHEET
COMPANY REGISTERED NUMBER: 02731429
31 MARCH 2022

	Notes	GROUP		COMPANY	
		2022 £	2021 £	2022 £	2021 £
FIXED ASSETS					
Tangible assets	11	1,431,727	1,493,689	1,419,151	1,487,033
Investments	13	-	-	1	1
Programme related investments	12	<u>2,000</u>	<u>2,000</u>	<u>126,265</u>	<u>67,600</u>
		<u>1,433,727</u>	<u>1,495,689</u>	<u>1,545,417</u>	<u>1,554,634</u>
CURRENT ASSETS					
Stocks	14	38,087	42,058	-	2,498
Debtors	15	703,288	936,095	692,175	933,585
Cash at bank and in hand	16	<u>2,058,319</u>	<u>2,140,558</u>	<u>1,970,288</u>	<u>2,108,801</u>
		<u>2,799,694</u>	<u>3,118,711</u>	<u>2,662,463</u>	<u>3,044,884</u>
CREDITORS: amounts falling due within one year	17	<u>(1,267,677)</u>	<u>(1,197,919)</u>	<u>(1,227,338)</u>	<u>(1,184,270)</u>
NET CURRENT ASSETS		<u>1,532,017</u>	<u>1,920,792</u>	<u>1,435,125</u>	<u>1,860,614</u>
CREDITORS: amounts falling due after more than one year	18	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET ASSETS	23	<u>2,965,744</u>	<u>3,416,481</u>	<u>2,980,542</u>	<u>3,415,248</u>
CAPITAL AND RESERVES					
Unrestricted funds:					
General funds	22	2,211,637	2,929,895	2,226,435	2,928,662
Designated funds	22	740,182	459,149	740,182	459,149
Restricted funds	22	<u>13,925</u>	<u>27,437</u>	<u>13,925</u>	<u>27,437</u>
		<u>2,965,744</u>	<u>3,416,481</u>	<u>2,980,542</u>	<u>3,415,248</u>

Included within the group results is a deficit of £434,706 (2021: surplus £84,578) in respect of Life Path Trust Limited.

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

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on 6 December 2022.



Judy Ryan
Chair

The notes on pages 22 to 42 form part of these financial statements

LIFE PATH TRUST LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022		2021	
		£	£	£	£
Cash flows from operating activities:					
Net cash (used in)/provided by operating activities	19		(13,237)		448,457
Net cash used in investing activities					
Purchase of property, plant and equipment		(43,166)		(35,456)	
Bank interest receivable		<u>141</u>		<u>816</u>	
Net cash used in investing activities			(43,025)		(34,640)
Cash flows from financing activities					
Interest paid		(390)		(1,491)	
Loan repayments		<u>(25,587)</u>		<u>(29,234)</u>	
Net cash used in financing activities			<u>(25,977)</u>		<u>(30,725)</u>
Change in cash and cash equivalents in the reporting period			(82,239)		383,092
Cash and cash equivalents at the beginning of the reporting period			<u>2,140,558</u>		<u>1,757,466</u>
Cash and cash equivalents at the end of the reporting period			<u>2,058,319</u>		<u>2,140,558</u>
CHANGE IN MOVEMENT IN NET FUNDS					
		<i>At 1 April</i>	<i>Cash flow</i>	<i>At 31 March</i>	
		<i>2021</i>		<i>2022</i>	
		£	£	£	
Cash at bank and in hand		2,140,558	(82,239)	2,058,319	
Bank loans		<u>(25,587)</u>	<u>25,587</u>	-	
Net Funds		<u>2,114,971</u>	<u>(56,652)</u>	<u>2,058,319</u>	

The notes on pages 22 to 42 form part of these financial statements

LIFE PATH TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. COMPANY INFORMATION

The principal activity of the charity is to provide care, assistance, support and relief of suffering amongst people who are disadvantaged by society due to health conditions, age infirmity or learning disabilities/difficulties within England and Wales. The charity (registered number 02731429 and charity number 1013242) is incorporated and domiciled in the UK. The address of the registered office is 511 Walsgrave Road, Coventry, CV2 4AG.

2. ACCOUNTING POLICIES

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 UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going Concern

In their assessment of going concern the directors have considered the impact of COVID-19, funding of the Care and Support Sector and the transfer of the Supported Living Service and associated costs on the company's operations. The Directors considered that the transfer of the Supported Living service would remove the longer term financial risks from a service which was being impacted by the:-

- a) Rising costs of minimum wage not being met fully by the local authority fee increases
- b) The difficulty in recruiting employees and the increasing rising costs of agency use which has impacted the whole of the Health and Social Care sector.

The Accounts for 2021/22 and the matter of "going concern" and the issues cited above was considered by the Board on the 12th May 2022 in the Finance & Strategy board meeting. The purpose of this meeting was to discuss the outcome of the enforcement action from the CQC and to decide on the future of the charity going forward. They considered the cash flow position and whilst they can confirm that Life Path Trust will be a going concern in a year's time, they are aware that due to the loss of contribution from the Supported Living Service, other avenues will need to be explored to ensure the continuation of the charity long term.

They are aware that diversification is needed to bring in a wider range of customers so spreading the income base in order to not become too reliant upon any one income stream.

The current forecast for 2022/23 does show an overall significant deficit for the charity, which is in part due to the discontinuation of the Supported Living Service. This is to be expected while other income streams are explored and a reduction in overhead is looked into. Reduction of overhead has been achieved by the restructuring of 3 executive directorate posts to 1 senior leadership role. There has also been reduction in back office posts through natural wastage and outsourcing of HR. There has also been reduction of costs by working with suppliers.

The development of new projects through grant funding by exploring the potential of the site at Kingshill Nurseries has been identified as a priority. There is also potential to develop horticultural qualifications for people with learning disabilities and work has commenced on developing this project. Growth of the respite (short breaks) service and new business was considered to be a priority over the coming 12 months.

LIFE PATH TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

In summary, the decision on Going Concern was made based upon:

- a) The planning permission granted for the development of the site at Walsgrave Road which would generate a one-off income on the sale of the land
- b) The ownership of property and the income generated from Landlord Services
- c) Free reserves

Having regard to the above, the directors accept there is a material uncertainty as to the ability of the company to continue as a going concern, but they believe it remains appropriate to adopt the going concern basis of accounting in the preparation of financial statements.

a) Basis of consolidation

The Statement of Financial Activities and Group Balance Sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis. The subsidiary companies have been exempt from the requirements to the audit of individual accounts by virtue of section 479A of Companies Act 2006. No profit and loss account is presented for Life Path Trust Limited as permitted by Section 408 of the Companies Act 2006.

b) Fund accounting

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

Designated fund comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of such designated funds is set out in the notes to the financial statements.

Restricted funds are those which must be applied in accordance with the purpose specified by the donor. Expenditure relating to these purposes is charged directly to the fund.

c) Income

Income is included in the statement of financial activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:-

- Income received by way of donations and gifts is included in the statement of financial activities when receivable. Legacies are recognised when the charity has notice of their existence and their value can be reliably measured, this is normally only once they have been received. Property bequeathed to the charity is recognised at probate value.
- Other trading income includes income from leases of properties to third parties (where the properties are occupied by beneficiaries) and investment income, both of which are recognised when receivable.
- Income from charitable activities include grants towards care and support of beneficiaries and supported employment income. Grants are recognised during the year to which they relate and supported employment income is accounted for when earned by the charity's subsidiary company.

LIFE PATH TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

d) Government grants

Grants are accounted for under the performance model as permitted by the Charities SORP. Grants of a revenue nature are recognised in the Statement of Financial Activities in the same period as the related expenditure.

e) Expenditure

Expenditure is recognised on an accruals basis as liabilities are incurred. Irrecoverable VAT is reported as part of the expenditure to which it relates. The following specific policies are applied to particular categories of expenditure:-

- Charitable expenditure includes those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. Supported employment costs represent the cost of sales and administrative and other costs incurred by the charity's subsidiary company.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

Staff costs are allocated on the basis of estimated time spent. All other costs are directly allocated.

f) Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is provided on all tangible assets, excluding freehold land, at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Freehold buildings – houses	over 50 years
Freehold buildings – others	over 8 - 25 years
Leasehold property	over period of lease
Service furniture, fittings and equipment over	4 - 10 years
Office fixtures, fittings and equipment	over 3 - 5 years

g) Impairment of redeveloped property

All newly developed property whose independent valuation falls below carrying value plus redevelopment costs has additional depreciation charged to it in the financial year that the retention monies have been authorised and paid. life path trust limited

h) Stocks

Stocks are valued at the lower of cost and net realisable value. Costs of finished goods include a relevant proportion of overheads. Net realisable value is based upon estimated selling price less further costs expected to be incurred to disposal. Provision is made for obsolete and slow moving items.

LIFE PATH TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

- i) Debtors**
Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.
- j) Cash and cash equivalents**
Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.
- k) Financial instruments**
The company holds only financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments include debtors and creditors. Debtors and creditors are initially recognised at transaction value and subsequently measured at amortised cost. Financial instruments where future cash flows are anticipated, are categorised as financial assets referring to fixed asset investments and debtor balances excluding prepayments, and financial liabilities referring to all creditor balances excluding deferred income and other taxation and social security.
- l) Creditors**
Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.
- m) Retirement benefits**
The group operates a defined contribution scheme. The amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

The Charity also operates defined contribution schemes including an auto enrolment arrangement. Contributions to the schemes are charged in the Statement of Financial Activities as they become payable, in accordance with the rules of the schemes.
- n) Operating leases**
Annual rentals are charged in the Statement of Financial Activities on a straight line basis over the lease term.

LIFE PATH TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

3. Significant judgements and estimates

In the application of the charity's accounting policies, which are described in note 2. Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

The trustees consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

4. DONATIONS AND GRANT INCOME

	2022 £	2021 £
Donations and legacies	305,548	143,187
Job Retention Scheme	4,110	126,916
Other Government Grants	<u>64,771</u>	<u>119,853</u>
	<u>374,429</u>	<u>389,956</u>

5. CARE AND SUPPORT

	2022 £	2021 £
Service income:		
Social services	5,847,604	7,180,125
Supporting people	-	6,795
Short breaks	<u>89,771</u>	<u>15,290</u>
	5,937,375	7,202,210
Residential income	<u>159,648</u>	<u>164,250</u>
	<u>6,097,023</u>	<u>7,366,460</u>

LIFE PATH TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

6. SUPPORTED EMPLOYMENT

Provision of goods and services through the Charity, Newpath Ventures Limited, and other external providers.

	2022	2021
	£	£
Supported employment income	<u>331,953</u>	<u>215,924</u>
Cost of sales	53,814	39,545
Admin and audit costs	<u>254,233</u>	<u>251,243</u>
Supported employment cost	<u>325,947</u>	<u>290,788</u>

Included within supported employment is income related to other external providers of £18,128 (2021: £5,373).

Included within supported employment are costs related to other external providers of £19,027 (2021: £4,782).

LIFE PATH TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

7. TOTAL EXPENDITURE	Care and support £	Supported employment £	Total 2022 £	Care and support £	Supported employment £	Total 2021 £
Staff costs	5,018,180	185,851	5,204,031	6,095,590	173,313	6,268,903
Service user costs	-	11,628	11,628	-	4,237	4,237
Temporary staff – Agency Costs	959,574	-	959,574	685,412	-	685,412
Coventry training consortium – staff costs	56,943	-	56,943	56,221	-	56,221
Coventry training consortium - other	22,017	-	22,017	20,225	-	20,225
Training, travelling & recruitment	137,651	571	138,222	97,707	794	98,501
Cost of sales	-	52,746	52,746	-	15,084	15,084
Insurance	31,469	5,868	37,337	25,531	5,860	31,391
Premises costs	206,328	-	206,328	208,672	5,333	214,005
Transport	11,316	-	11,316	15,181	-	15,181
Repairs & maintenance	50,087	4,672	54,759	22,004	8,230	30,234
Telephone, postage & stationery	234,666	2,960	237,626	193,428	2,359	195,787
Depreciation	101,383	3,745	105,128	96,412	2,880	99,292
Legal & professional	10,870	5,715	16,585	6,828	8,870	15,698
Audit fees	12,600	-	12,600	11,800	-	11,800
CQC improvements costs	111,538	-	111,538	-	-	-
Other costs	133,029	52,191	185,220	158,163	63,828	221,991
	<u>7,097,651</u>	<u>325,947</u>	<u>7,423,598</u>	<u>7,693,174</u>	<u>290,788</u>	<u>7,983,962</u>

Support costs and overheads have been allocated on the basis of time spent by staff. Included within total resources expended are Governance costs of £12,600 (2021: £11,800).

LIFE PATH TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

8. NET INCOME

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
This is stated after charging:				
Auditors' remuneration				
- audit (parent)	13,640	12,770	13,460	12,770
- other services	7,795	6,780	-	-
Hire of plant and machinery				
- operating leases	21,180	29,747	21,180	29,747

9. STAFF COSTS AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

The average monthly number of employees during the period was as follows:

	Group		Company	
	2022	2021	2022	2021
Central support	14	13	12	12
Care and support staff (including operating, production and day care staff)	179	239	171	230
Administration staff	<u>17</u>	<u>22</u>	<u>16</u>	<u>21</u>
	<u>210</u>	<u>274</u>	<u>199</u>	<u>263</u>

The average monthly number of fulltime equivalent employees during the period was as follows:

	Group		Company	
	2022	2021	2022	2021
Central support	12	11	11	12
Care and support staff (including operating, production and day care staff)	128	173	123	179
Administration staff	<u>14</u>	<u>17</u>	<u>14</u>	<u>17</u>
	<u>154</u>	<u>201</u>	<u>148</u>	<u>208</u>

In addition the group gave supported employment and training to 32 people (2021: 32).

The aggregate payroll costs of employed persons were as follows:

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Wages and salaries	4,800,206	5,742,245	4,627,606	5,582,695
Social security	329,161	426,827	319,495	416,577
Pension costs	<u>131,607</u>	<u>156,052</u>	<u>128,022</u>	<u>152,539</u>
	<u>5,260,974</u>	<u>6,325,124</u>	<u>5,075,123</u>	<u>6,151,811</u>

LIFE PATH TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

9. STAFF COSTS AND REMUNERATION OF KEY MANAGEMENT PERSONNEL (continued)

In addition to the above, the cost of temporary staff during the year was £959,574 (2021: £686,205).

Included in staff costs are redundancy payments totalling £20,044 (2021: £Nil).

The number of employees whose remuneration exceeded £60,000 was:

	2022	2021
	No.	No.
Between £60,000 - £70,000	1	1

Of the employees whose annual remuneration exceeded £60,000, one (2021: one) has retirement benefits accruing under a defined contribution scheme. Total employer contributions in the year to the scheme were £2,040 (2021: £2,040).

Key management personnel consist of the Trustees and senior management team listed on page 2, received aggregate remuneration (including employers National Insurance and employers pension Contributions) of £110,555 (2021: £186,732).

The amount of remuneration earned by directors and trustees in the year was £Nil (2021: £Nil).

Trustee expenses

Expenses reimbursed to the trustees amounted to £Nil (2021: £Nil). These related to travelling costs. There were no trustees who received reimbursements in the year (2021: £Nil).

Pension costs

The group operates a defined contribution staff pension scheme including an auto enrolment arrangement. The assets of the scheme are held separately from those of the group in independently administered funds. The pension costs charge represents contributions payable by the group to the funds and amounted to £131,607 (2021: £156,052). Contributions totalling £23,437 (2021: £59,239) were payable to the funds at the year-end and are included in creditors.

10. TAXATION

No liability to corporation tax arises on the results of the company or the group for the year (2021: £Nil).

LIFE PATH TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

11. TANGIBLE FIXED ASSETS

GROUP

	Land and buildings £	Assets under the course of construction £	Service, furniture, fittings & equipment £	Office fixtures, fittings & equipment £	Total £
Cost or valuation					
At 1 April 2021	2,796,338	2,335	97,523	450,829	3,347,025
Additions	-	-	15,680	27,486	43,166
Disposals	-	-	-	-	-
At 31 March 2022	<u>2,796,338</u>	<u>2,335</u>	<u>113,203</u>	<u>478,315</u>	<u>3,390,191</u>
Depreciation					
At 1 April 2021	1,369,106	-	83,210	401,020	1,853,336
Charge for the year	70,734	-	5,576	28,818	105,128
Disposals	-	-	-	-	-
At 31 March 2022	<u>1,439,840</u>	<u>-</u>	<u>88,786</u>	<u>429,838</u>	<u>1,958,464</u>
Net book value					
At 31 March 2022	<u>1,356,498</u>	<u>2,335</u>	<u>24,417</u>	<u>48,477</u>	<u>1,431,727</u>
At 31 March 2021	<u>1,427,232</u>	<u>2,335</u>	<u>14,313</u>	<u>49,809</u>	<u>1,493,689</u>

COMPANY

	Land and buildings £	Assets under the course of construction £	Service, furniture, fittings & equipment £	Office fixtures, fittings & equipment £	Total £
Cost or valuation					
At 1 April 2021	2,796,338	2,335	97,521	160,892	3,057,086
Additions	-	-	15,680	17,820	33,500
Disposal	-	-	-	-	-
At 31 March 2022	<u>2,796,338</u>	<u>2,335</u>	<u>113,201</u>	<u>178,712</u>	<u>3,090,586</u>
Depreciation					
At 1 April 2021	1,369,105	-	83,210	117,738	1,570,053
Charge for the year	70,734	-	5,575	25,073	101,382
Disposal	-	-	-	-	-
At 31 March 2022	<u>1,439,839</u>	<u>-</u>	<u>88,785</u>	<u>142,811</u>	<u>1,671,435</u>
Net book value					
At 31 March 2022	<u>1,356,499</u>	<u>2,335</u>	<u>24,416</u>	<u>35,901</u>	<u>1,419,151</u>
At 31 March 2021	<u>1,427,233</u>	<u>2,335</u>	<u>14,311</u>	<u>43,154</u>	<u>1,487,033</u>

LIFE PATH TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

12. PROGRAMME RELATED INVESTMENTS

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Shares in The Cookery Path Limited	-	-	-	-
Shares in Newpath Ventures Limited at cost	-	-	1,000	1,000
Loan to Newpath Ventures Limited	-	-	341,187	267,490
Impairment of Loan to Newpath Ventures Limited	-	-	(217,922)	(202,890)
Here to Help Consortium	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>
	<u>2,000</u>	<u>2,000</u>	<u>126,265</u>	<u>67,600</u>

Newpath Ventures Limited and The Cookery Path Limited are wholly owned subsidiary companies incorporated in England. Newpath Ventures Limited is engaged in primary purpose trading on behalf of the charity whilst The Cookery Path Limited is dormant. The market value of their shares is equivalent to cost.

During the year the company made a grant of £92,585 (2021: £44,698) and charged rent and an administrative charge of £20,292 (2021: £20,292) to Newpath Ventures Limited.

The loans to the subsidiary companies are unsecured and interest free. A provision has been made against the loan to The Cookery Path Limited following the Trustees decision to cease operations in this company in July 2014. The value of the loan reflects the net realisable value of the assets held by the company which now stands at £Nil. A provision has been made against the loan to Newpath Ventures Limited to reflect the net realisable value of the assets held by the company.

13. INVESTMENTS

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Shares in Newpath Housing Limited	-	-	1	1

On 22 July 2020 Newpath Housing was set up to be able to deliver required Landlord Services to Citizens who live in properties which Life Path Trust will be leasing from a Midlands based Housing Association. This ensures that Landlord and Support services are separate. The registered office for Newpath Housing Limited is 511 Walsgrave Road, Coventry, England, CV2 4AG. This entity was dormant in the year, and is a 100% owned subsidiary of Life Path Trust Limited.

14. STOCKS

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Stocks	<u>38,087</u>	<u>42,058</u>	<u>-</u>	<u>2,498</u>

Where stock for the group is held by the trading subsidiaries.

LIFE PATH TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

15. DEBTORS

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Trade debtors	228,160	421,838	221,210	422,818
Other debtors	48,455	93,240	44,616	90,137
Prepayments and accrued income	<u>426,673</u>	<u>421,017</u>	<u>426,349</u>	<u>420,630</u>
	<u>703,288</u>	<u>936,095</u>	<u>692,175</u>	<u>933,585</u>

16. CASH AND CASH EQUIVALENTS

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Cash at bank and in hand	<u>2,058,319</u>	<u>2,140,558</u>	<u>1,970,288</u>	<u>2,108,801</u>

17. CREDITORS: Amounts falling due within one year

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Bank loans	-	25,587	-	25,587
Trade creditors	268,198	115,030	254,738	105,677
Other taxation and social security	75,569	91,041	75,569	91,041
Other creditors	480,749	587,725	465,719	592,101
Accruals	<u>443,161</u>	<u>378,536</u>	<u>431,312</u>	<u>369,864</u>
	<u>1,267,677</u>	<u>1,197,919</u>	<u>1,227,338</u>	<u>1,184,270</u>

LIFE PATH TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

18. CREDITORS: Amounts falling due after more than one year

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Bank loans	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The loans are analysed as follows:

	2022 £	2021 £
Within one year	-	25,587
Between two and five years	<u>-</u>	<u>-</u>
	<u>-</u>	<u>25,587</u>

The Company has one bank loan with NatWest. The loan is for £253,750 taken out in 2012. The loan bears interest at 4% and is repayable over 10 years. The bank loan is secured against the properties to which it relates, 37 Shuttle Street, Coventry.

19. RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

	2022 £	2021 £
Net income	(450,737)	84,494
Depreciation	105,128	99,292
Interest received	(141)	(816)
Interest paid	390	1,491
Decrease in stock	3,971	9,437
Decrease in debtors	232,807	151,654
Increase in creditors	<u>95,345</u>	<u>102,905</u>
Net cash (used in)/provided by operating activities	<u>£ (13,237)</u>	<u>£ 448,457</u>

LIFE PATH TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

20a. SUBSIDIARY COMPANIES

The charity has three wholly owned trading subsidiaries which are incorporated in the UK.

Newpath Ventures Limited (Company number: 02757473, Registered Office: 511 Walsgrave Road, Coventry, CV2 4AG) operates function facilities and a horticultural nursery, which provide employment for people with learning difficulties.

The Cookery Path Limited (Company number: 07682830, Registered Office: 511 Walsgrave Road, Coventry, CV2 4AG) ceased trading in July 2014 and was dormant for the year ended 31 March 2020. On 13 October 2020 Life Path Trust struck off its subsidiary, Cookery Path Limited. The debt due from Cookery Path Limited of £179,223 which was fully impaired in 2014 when the company became dormant has been waived in the year. The company was dissolved with companies house on 20 October 2020.

On 22 July 2020 Life Path Trust set up a new company, Newpath Housing Solutions Limited (Company number: 12761300, Registered office 511 Walsgrave Road, Coventry, CV2 4AG). This company is 100% owned by Life Path Trust Limited. The company has 100 shares in issue of 1p per share. The year end of the company is coterminous being 31/03/2022. This company has not yet began trading and so no adjustment have been made to consolidation due to this.

All activities have been consolidated on a line by line basis in the SOFA.

Financial statements are filed with the Registrar of Companies. A summary of the results of the subsidiaries are shown below:

LIFE PATH TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

20a. SUBSIDIARY COMPANIES (CONTINUED)

Newpath Ventures Limited	2022	2021
	£	£
Turnover	218,601	167,024
Cost of sales	<u>(53,814)</u>	<u>(39,545)</u>
Gross profit	164,787	127,479
Administrative expenses	<u>(273,403)</u>	<u>(260,708)</u>
Operating loss	(108,616)	(133,229)
Grant from parent company	<u>92,585</u>	<u>44,698</u>
Profit/(Loss) on ordinary activities before taxation	(16,031)	(88,531)
Tax on loss on ordinary activities	<u>-</u>	<u>-</u>
Profit/(Loss) on ordinary activities after taxation	<u>(16,031)</u>	<u>(88,531)</u>
The aggregate of the assets, liabilities and funds was:		
Assets	148,574	83,625
Liabilities	<u>(366,496)</u>	<u>(285,515)</u>
Net liabilities	<u>(217,922)</u>	<u>(201,890)</u>

20b. SUBSIDIARY COMPANIES

The Cookery Path Limited	2022	2021
	£	£
The aggregate of the assets, liabilities and funds was:-		
Assets	-	-
Liabilities	<u>-</u>	<u>-</u>
Net liabilities	<u>-</u>	<u>-</u>

The Cookery Path Limited has been dormant since July 2019, the company was dissolved with Companies House on 20 October 2020.

21. CAPITAL AND RESERVES

The charity is a private company limited by guarantee. In the event of it being wound up the liability in respect of the guarantee is limited to £1 per member of the company.

LIFE PATH TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

22. FUNDS

GROUP

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfer between funds £	Balance at 31 March 2022 £
Unrestricted funds					
General funds	<u>2,929,895</u>	6,903,980	<u>(7,419,422)</u>	<u>(202,816)</u>	<u>2,211,637</u>
Designated funds					
Service development fund	208,498	-	(1,467)	266,465	473,496
Maintenance fund	8,965	-	-	(8,965)	-
Property development fund	<u>241,686</u>	-	-	<u>25,000</u>	<u>266,686</u>
	<u>459,149</u>	-	<u>(1,467)</u>	<u>282,500</u>	<u>740,182</u>
Total unrestricted funds	<u>3,389,044</u>	<u>6,903,980</u>	<u>(7,420,889)</u>	<u>79,684</u>	<u>2,951,819</u>
Restricted funds					
COVID Grants	21,437	68,881	(2,709)	(79,684)	7,925
Coventry University Project	<u>6,000</u>	-	-	-	<u>6,000</u>
Total funds	<u>3,416,481</u>	<u>6,972,861</u>	<u>(7,423,598)</u>	<u>-</u>	<u>2,965,744</u>

COMPANY

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfer between funds £	Balance at 31 March 2022 £
Unrestricted funds					
General funds	<u>2,928,662</u>	6,705,114	<u>(7,204,525)</u>	<u>(202,816)</u>	<u>2,226,435</u>
Designated funds					
Service development fund	208,498	-	(1,467)	266,465	473,496
Maintenance fund	8,965	-	-	(8,965)	-
Property development fund	<u>241,686</u>	-	-	<u>25,000</u>	<u>266,686</u>
	<u>459,149</u>	-	<u>(1,467)</u>	<u>282,500</u>	<u>740,182</u>
Total unrestricted funds	<u>3,387,811</u>	<u>6,705,114</u>	<u>(7,205,992)</u>	<u>79,684</u>	<u>2,966,617</u>
Restricted funds					
Coventry University Project	6,000	-	-	-	6,000
COVID Grants	<u>21,437</u>	<u>68,881</u>	<u>(2,709)</u>	<u>(79,684)</u>	<u>7,925</u>
Total funds	<u>3,415,248</u>	<u>6,773,995</u>	<u>(7,208,701)</u>	<u>-</u>	<u>2,980,542</u>

LIFE PATH TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

22. FUNDS (continued)

Designated Funds

Service development fund

In December 2019 the board agreed to set aside a designated legacy fund to include funds gifted to Life Path that can be used for value added services for the benefit of citizens. It is currently being used to fund a volunteer co-ordinator to assist with the recruitment of volunteers and creating and managing the citizens board.

Maintenance Fund

The trustees have set aside designated funds for the repair and maintenance of managed properties and refurbishment of owned properties.

Property development Fund

The development fund was established to set aside funds for future developments on owned properties.

Sleep-in Fund

The sleep-in fund was set up during the year ended 31 March 2018 as a contingency against the potential risk of the back payment to staff with regard to the sleep-in issue Tomlinson-Blake v MENCAP. The Supreme Court on 19 March 2021 upheld the Court of Appeal Ruling that the National Minimum Wage (NMR) does not apply to sleep-in shifts unless the worker is awake for the purposes of working. This ruling has now clarified the law and therefore removes the need for the designated fund as the ruling, removes the back pay issue. As such the balance for this fund has been released in the year, via transfer, into the general unrestricted fund.

Restricted Funds

Coventry University Project

This fund relates to monies donated to be spent on a research project with Coventry University, to support people with learning disabilities.

<i>GROUP -</i>	<i>Comparative</i>	<i>Balance at 1</i>			<i>Transfer</i>	<i>Balance at</i>
		<i>April</i>	<i>Income</i>	<i>Expenditure</i>	<i>between</i>	<i>31 March</i>
		<i>2020</i>			<i>funds</i>	<i>2021</i>
		<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
<i>Unrestricted funds</i>						
<i>General funds</i>		<u>1,977,855</u>	<u>7,821,687</u>	<u>(7,754,152)</u>	<u>884,505</u>	<u>2,929,895</u>
<i>Designated funds</i>						
<i>Service development fund</i>		100,000	-	(4,478)	112,976	208,498
<i>Maintenance fund</i>		10,504	-	-	(1,539)	8,965
<i>Sleep-in fund</i>		1,020,942	-	-	(1,020,942)	-
<i>Property development fund</i>		<u>216,686</u>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>241,686</u>
		<u>1,348,132</u>	<u>-</u>	<u>(4,478)</u>	<u>(884,505)</u>	<u>459,149</u>
<i>Total unrestricted funds</i>		<u>3,325,987</u>	<u>7,821,687</u>	<u>(7,758,630)</u>	<u>-</u>	<u>3,389,044</u>
<i>Restricted funds</i>						
<i>COVID Grants</i>		<u>-</u>	<u>246,769</u>	<u>(225,332)</u>	<u>-</u>	<u>21,437</u>
<i>Coventry University Project</i>		<u>6,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,000</u>
<i>Total funds</i>		<u>3,331,987</u>	<u>8,068,456</u>	<u>(7,983,962)</u>	<u>-</u>	<u>3,416,484</u>

LIFE PATH TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

22. FUNDS (continued)

COMPANY - Comparative

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfer between funds £	Balance at 31 March 2021 £
<i>Unrestricted funds</i>					
<i>General funds</i>	<u>1,976,538</u>	<u>7,660,729</u>	<u>(7,593,110)</u>	<u>884,505</u>	<u>2,928,662</u>
<i>Designated funds</i>					
<i>Service development fund</i>	100,000	-	(4,478)	112,976	208,498
<i>Maintenance fund</i>	10,504	-	-	(1,539)	8,965
<i>Sleep-in fund</i>	1,020,942	-	-	(1,020,942)	-
<i>Property development fund</i>	<u>216,686</u>	-	-	<u>25,000</u>	<u>241,686</u>
	<u>1,348,132</u>	-	<u>(4,478)</u>	<u>(884,505)</u>	<u>459,149</u>
<i>Total unrestricted funds</i>	<u>3,324,670</u>	<u>7,660,729</u>	<u>(7,597,588)</u>	-	<u>3,387,811</u>
<i>Restricted funds</i>					
<i>Coventry University Project</i>	6,000	-	-	-	6,000
<i>COVID Grants</i>	-	246,769	(225,332)	-	21,437
<i>Total funds</i>	<u>3,330,670</u>	<u>7,907,498</u>	<u>(7,822,920)</u>	-	<u>3,415,248</u>

23. ANALYSIS OF ASSETS BETWEEN FUNDS

GROUP

2022

	Fixed assets £	Net current assets £	Long-term liabilities £	Total £
Unrestricted general funds	1,433,727	777,910	-	2,211,637
Designated funds	-	740,182	-	740,182
Restricted funds	-	13,925	-	13,925
	<u>1,433,727</u>	<u>1,532,017</u>	-	<u>2,965,744</u>

2021

	Fixed assets £	Net current assets £	Long-term liabilities £	Total £
Unrestricted general funds	1,495,689	1,434,206	-	2,929,895
Designated funds	-	459,149	-	459,149
Restricted funds	-	27,437	-	27,437
	<u>1,495,689</u>	<u>1,920,792</u>	-	<u>3,416,481</u>

LIFE PATH TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

23. ANALYSIS OF ASSETS BETWEEN FUNDS (continued)

COMPANY

2022

	Fixed assets £	Net current assets £	Long-term liabilities £	Total £
Unrestricted general funds	1,545,417	681,018	-	2,226,435
Designated funds	-	740,182	-	740,182
Restricted funds	-	<u>13,925</u>	-	<u>13,925</u>
	<u>1,545,417</u>	<u>1,435,125</u>	<u>-</u>	<u>2,980,542</u>

2021

	<i>Fixed assets £</i>	<i>Net current assets £</i>	<i>Long-term liabilities £</i>	<i>Total £</i>
<i>Unrestricted general funds</i>	<i>1,554,634</i>	<i>1,374,028</i>	<i>-</i>	<i>2,928,662</i>
<i>Designated funds</i>	<i>-</i>	<i>459,149</i>	<i>-</i>	<i>459,149</i>
<i>Restricted funds</i>	<i>-</i>	<u><i>27,437</i></u>	<i>-</i>	<u><i>27,437</i></u>
	<u><i>1,554,634</i></u>	<u><i>1,860,614</i></u>	<u><i>-</i></u>	<u><i>3,415,248</i></u>

24. RELATED PARTIES

Robert Hall a trustee of Life Path Trust is the sole director of Hall Bros Ltd. During the year Hall Bros Ltd received £231,525 (2021: £258,590) from citizens supported by Life Path Trust and the balance due to Hall Bros Ltd as at 31 March 2022 was £nil.

Edward James Lamb a trustee of Life Path Trust paid a £15 donation with his AGM fees in the year.

Transactions with the subsidiaries are detailed in note 12.

25. POST BALANCE SHEET EVENT

The CQC re inspected the Supported Living Service on the 15th March 2021 and were not satisfied with the progress made. The CQC have therefore applied enforcement action to the Supported Living Service registration as the Service is still rated Inadequate and in special measures. The Trustees have made the difficult decision that despite the efforts made to improve the service, in the light of enforcement action and the difficult the operating climate that Coventry City Council have been asked to find a new provider for the Supported Living Service. This decision enables continuity of service to Citizens of Life Path Trust and their families and employees. The value of the Supported Living Service for the period ending 31 March 2022 was £5,142,564.

LIFE PATH TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

26. COMMITMENTS UNDER OPERATING LEASES

a) Lessor

The group earns rental income by leasing its properties to tenants under non-cancellable operating leases. Leases in which substantially all risks and rewards of ownership are retained by another party, the lessor, are classified as operating leases. Payments, including prepayments, made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

At the balance sheet date, the group had contracted with tenants to receive the following future minimum lease payments:

GROUP AND COMPANY

	2022 £	2021 £
Not later than 1 year	70,000	70,000
Later than 1 year and not later than 5 years	35,000	35,000
Later than 5 years	-	-
	<u>105,000</u>	<u>105,000</u>

b) Lessee

At 31 March 2022 the Group had future minimum lease payments under non-cancellable operating leases as follows:-

GROUP AND COMPANY

	2022 £	2021 £
Other		
Not later than 1 year	21,180	21,180
Later than 1 year and not later than 5 years	<u>12,551</u>	<u>12,551</u>

LIFE PATH TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

27. COMPARATIVE CONSOLIDATED SOFA

	<i>Unrestricted Funds 2021</i>	<i>Restricted Funds 2021</i>	<i>Total Funds 2021</i>
	£	£	£
<i>Income and endowments from:</i>			
<i>Donations</i>	143,187	246,769	389,956
<i>Other trading activities:</i>			
- <i>Rental income</i>	95,300	-	95,300
<i>Charitable activities:</i>			
- <i>Care and support</i>	7,366,460	-	7,366,460
- <i>Supported employment income</i>	215,924	-	215,924
<i>Investments</i>			
- <i>Bank interest received</i>	816	-	816
<i>Other</i>	=	=	=
TOTAL INCOME	<u>7,821,687</u>	<u>246,769</u>	<u>8,068,456</u>
<i>Expenditure on:</i>			
<i>Charitable activities:</i>			
- <i>Care and support</i>	7,467,842	225,332	7,693,174
- <i>Supported employment costs</i>	290,788		290,788
TOTAL EXPENDITURE	<u>7,758,630</u>	<u>225,332</u>	<u>7,983,962</u>
<i>Net income and net movement in funds</i>	63,057	21,437	84,494
<i>Reconciliation of funds:</i>			
<i>Total funds brought forward</i>	<u>3,325,987</u>	<u>6,000</u>	<u>3,331,987</u>
<i>Total funds carried forward</i>	<u>3,389,044</u>	<u>27,437</u>	<u>3,416,481</u>