

6325398

**NORTHERN PATHWAYS LIMITED**  
**(Private Limited Company)**

**FINANCIAL STATEMENTS**

**31 MARCH 2010**

TUESDAY



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# **NORTHERN PATHWAYS LIMITED**

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# **NORTHERN PATHWAYS LIMITED**

## **COMPANY INFORMATION**

**DIRECTORS:** Andrew James (Chair)  
Elisabeth Al-Khalifa (Resigned Oct 2009)  
Barry Roberts (Resigned June 2010)  
Robert Brownlow (Resigned June 2010)  
Jenny McAleese  
Hilary Rowell  
Roger Mattingly  
Martin Sykes  
Chris Holman (Appointed June 2010)  
Zelda Peters (Appointed June 2010)  
John Doran (Appointed June 2010)

**SECRETARY:** Barry Roberts (Resigned July 2010)  
David Billington (Appointed June 2010)

**REGISTERED OFFICE:** Turning Point  
Standon House  
21 Mansell Street  
London E1 8AA

**REGISTERED NUMBER:** 06325398

**AUDITORS:** Horwath Clark Whitehill LLP  
St Bride's House  
10 Salisbury Square  
London  
EC4Y 8EH

**BANKERS:** Barclays Bank Plc  
3 Hardman Street  
1<sup>st</sup> Floor, Spinningfields  
M3 3AX

**SOLICITORS:** Bates, Wells & Braithwaite  
Cheapside House  
138 Cheapside  
London  
EC3U 6BB

# **NORTHERN PATHWAYS LIMITED**

## **REPORT OF THE DIRECTORS**

The Directors present their report and the financial statements for the year ended 31 March 2010

### **REVIEW OF THE BUSINESS**

Northern Pathways is a joint venture between Turning Point and The Retreat, two highly regarded third sector organisations providing mental health services

The partnership brings together a wealth of experience to deliver

- Low secure mental health services
- Services for people with personality disorders in both residential and community settings
- Crisis services that avoid admission to hospital
- Specialist services for elderly people with behaviour challenges
- Recovery services for those with complex mental health needs
- Services for those who also need medical care

### **Background to Northern Pathways**

The quality and safety of secure mental health provision for women has been the focus of research, campaigns and recent policy initiatives. With women in the minority, secure mental health services have primarily been developed with men in mind. As a result, women are often unfairly affected by institutional responses to the behaviours of men.

Northern Pathways has been developed in response to this concern and the gap in step down and high support community residential services for women with complex needs.

### **Principal Aims and Activities**

The National Women's Mental Health Strategy (2002) and the Implementation Guidance for Mainstreaming Gender and Women's Health (2003) recommend a revision of women's secure services. The Department of Health allocated funds to run three pilot schemes in different regional catchment areas. The Northern Pathways joint venture has been commissioned to provide one of these pilots for Yorkshire and the Humber.

Garrow House is still a fairly new service, and a major landmark in allowing women who use mental health services to have greater choice and control over the service they receive in a safe, supportive environment, as well as a faster road to independence.

### **Garrow House Services**

The service provides 24 hour clinical and nursing cover and social care support including access to

- A range of individual and group psychological therapies
- Daytime activities around life skills development
- Complementary therapies
- Access to forensic Psychiatry and Psychology support
- Access into community-based education, training and social re-integration opportunities

## **NORTHERN PATHWAYS LIMITED**

### **REPORT OF THE DIRECTORS (CONTINUED)**

#### **REVIEW OF THE BUSINESS (Continued)**

##### **Operating and Strategic Review**

Garrow House has been operating for over 15 months and has been maintaining a high occupancy rate for over 12 months. The staff team has changed over time to reflect the needs of the women and the skills mix needed to support the various complexities of the women's needs. The service has just re-registered with the newly formed Care Quality Commission.

Within the service there is a range of psychological therapies on offer coupled with an extensive therapeutic activity programmes. The service continues to provide care for the women through its strong links in the community and has seen some women move on to individual and family led support.

As a Department of Health pilot, the service is subject to evaluation by London Metropolitan University.

##### **MANAGING SAFETY & RISK**

The Northern Pathways Governance regime is hosted through Turning Point's Risk & Assurance department, and the service at Garrow House follows all Turning Point's policies and procedures regarding Risk management, Risk mitigation and Quality Assurance. The Governance Committee is chaired by The Retreat's Medical Director, and all localised policies, procedures and protocols pertaining to Risk & Assurance are scrutinised and signed off through this forum.

Turning Point, as the R&A host, has a national Safeguarding Lead (Assistant Director – Quality Assurance). Any safeguarding incidents reported as part of the integrated incident / accident reporting system are reviewed separately by the Risk and Assurance Team and the safeguarding lead. There is a follow-up reporting system so that the organisation can monitor responses to safe guarding incidents.

There are three core safeguarding policies, covering Vulnerable Adults, Safeguarding Children and Young People and also domestic violence, which reflect current legislation and good practice guidance and place great emphasis on cooperation with local partners, and adherence to local multi-agency safeguarding policies and procedures.

The safeguarding adults and children policies were subject to external consultation and verification (our Safeguarding Children Policy was verified by the NSPCC and our Safeguarding Adults policy was verified by the adult safeguarding team from one of our commissioning authorities).

In addition all staff attend, as part of their induction or as refresher training, a one-day course that has been designed to raise awareness and acquaint staff in services with the challenging issues involved with abuse of vulnerable adults. An additional course is provided to those at a managerial level to teach how to handle a disclosure and to educate how to make their service safer. Due to the nature of Garrow House residents, specialised training re Risk Assessment, control and restraint, the Mental Health Act and detained patients is also mandatory.

Our services are inspected by the Care Quality Commission, a newly formed external regulatory body incorporating CSCI, the Healthcare Commission and the Mental Health Act Commission. The Northern Pathways Board, and the Boards of the parent companies Turning Point and The Retreat, are informed of the outcome of these inspections and whether they meet the targets we have set.

## **NORTHERN PATHWAYS LIMITED**

### **REPORT OF THE DIRECTORS (CONTINUED)**

#### **MANAGING SAFETY & RISK(Continued)**

Northern Pathways also has its own internal quality systems. In the rare instances where our work does cause some local concern we are able to allay these fears. Through working with robust risk management processes and clinical governance Turning Point is able to minimise any detriment or harm that may manifest itself in the environment in which we operate to ensure a net positive public benefit.

#### **RESULTS AND DIVIDENDS**

The results of the company for the year are set out in the financial statements. The Directors do not recommend the payment of a dividend.

#### **GOVERNANCE**

##### **The Northern Pathways Board of Directors**

As at 31<sup>st</sup> March 2010 The Board of Directors comprised seven members and is responsible for setting and ensuring compliance with Northern Pathways' values, objectives and strategy. The members are drawn from Turning Point and The Retreat, the partners in the joint venture.

The members of the Board are as follows:

- Andrew James (Chair)
- Elisabeth Al-Khalifa (Resigned Oct 2009)
- Barry Roberts (Resigned June 2010)
- Robert Brownlow (Resigned June 2010)
- Jenny McAleese
- Hilary Rowell
- Roger Mattingly
- Martin Sykes
- Chris Holman (Appointed June 2010)
- Zelda Peters (Appointed June 2010)
- John Doran (Appointed June 2010)

The Board meets quarterly, and receives reports on the operational management and clinical governance of the Garrow House service.

The Directors do not hold any beneficial interest in the share capital of the company.

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently,
- Make judgments and estimates that are reasonable and prudent,

## **NORTHERN PATHWAYS LIMITED**

### **REPORT OF THE DIRECTORS (CONTINUED)**

#### **STATEMENT OF DIRECTOR'S RESPONSIBILITIES(Continued)**

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **GOING CONCERN**

The Directors have reviewed the projected cash flows for the company and have received a confirmation from the parent undertaking that it will continue to make funds available for the foreseeable future and not less than twelve months from the date of approval of the accounts. Based on this the Directors are satisfied that the company will be able to meet its liabilities as they fall due.

#### **PROVISION OF INFORMATION TO AUDITOR**

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- So far as that the Directors are aware, there is no relevant audit information of which the company's auditor is unaware, and
- That the Directors have taken all the steps that ought to have been taken as a Director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

#### **AUDITORS**

The auditor, Horwath Clark Whitehill LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

#### **BY ORDER OF THE BOARD**

Approved by the Board on 9/9/2010  
and signed on its behalf by



David Billington  
Secretary

## **NORTHERN PATHWAYS LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NORTHERN PATHWAYS LIMITED**

We have audited the financial statements of Northern Pathways Limited for the year ended 31 March 2010 which comprise as the Profit and Loss Account, the Balance Sheet and the related notes numbered 1 to 8

The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities)

This report is made solely to the 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

#### **Opinion on financial statements**

In our opinion, the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006


#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

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

  
Michael Hicks  
Senior Statutory Auditor  
For and on behalf of  
Horwath Clark Whitehill LLP  
Statutory Auditor  
London  
St Bride's House  
EC4Y 8EH

Date: 2/5/10



**NORTHERN PATHWAYS LIMITED**  
**COMPANY NUMBER 06325398**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2010**

	Notes	2010 £000	2009 £000
TURNOVER		1,988	608
Administrative expenses		(1,922)	(530)
		<hr/>	<hr/>
OPERATING PROFIT	4	66	78
Gift Aid		(66)	(78)
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR BEFORE TAXATION		0	0
Tax on profit on ordinary activities	5	0	0
		<hr/>	<hr/>
PROFIT FOR YEAR AFTER TAXATION		0	0
		<hr/>	<hr/>
ACCUMULATED PROFIT AT BEGINNING OF YEAR		0	0
		<hr/>	<hr/>
ACCUMULATED PROFIT AT END OF YEAR		0	0
		<hr/>	<hr/>

The company's turnover and expenses all relate to continuing operations

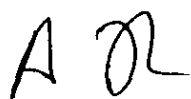
The company has no recognised gains or losses other than the results for the year which have been calculated on the historical cost basis

**NORTHERN PATHWAYS LIMITED**  
**COMPANY NUMBER 06325398**  
**BALANCE SHEET AT 31 MARCH 2010**

	Notes	2010 £000	2009 £000
<b>CURRENT ASSETS</b>			
Debtors	6	68	77
Cash at bank and in hand		<u>140</u>	<u>269</u>
		208	346
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	7	<u>(207)</u>	<u>(345)</u>
		(207)	(345)
<b>NET CURRENT ASSETS</b>		<u>1</u>	<u>1</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1</u>	<u>1</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8	1	1
Profit and loss account		0	0
<b>SHAREHOLDERS' FUNDS</b>		<u>1</u>	<u>1</u>

The accounts have been prepared in accordance with the special provisions relating to companies subject to small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Approved by the board on 9.9.2010  
and signed on its behalf

Director   
Andy James  
Chair, Northern Pathways.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2010**

**1 ACCOUNTING POLICES**

The financial statements have been prepared in accordance with applicable standards

**(a) Basis of Preparation of Financial Statements**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

**(b) Turnover**

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts

**(c) Pension costs**

The Company operates a defined benefit pension scheme which is contracted out of the State Scheme and provides benefits based on final pensionable pay. The assets of the scheme are held separately from those of the Company. Contributions to the scheme are charged to the income and expenditure account so as to spread the cost of pensions over employees' working lives. The funds are valued every three years by a professionally qualified independent actuary, the rates of contribution payable then being determined by Pension Trustees on advice of the actuary.

The Scheme is a multi employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the Company. In accordance with FRS17 the scheme is accounted for as a defined contribution scheme.

**2 ACTIVITIES**

The turnover, results for the year and net assets are attributable to the principal activity. The whole of the turnover and result for the year is attributable to the company's continuing operations.

The company operates in the United Kingdom and the whole of its turnover is to the United Kingdom market.

**3 RELATED PARTY TRANSACTIONS**

The company has taken advantage of the exemptions conferred by FRS8 in disclosing transactions with other group entities on the grounds that consolidated accounts are publically available.

**NORTHERN PATHWAYS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2010**

	2010 £000	2009 £000
<b>4 OPERATING PROFIT</b>		
The Operating Loss is stated after charging		
Auditors Remuneration	<u>2</u>	<u>1</u>
During the year, no Director received any emoluments (2009 £0)		
	2010 £000	2009 £000
<b>5 TAXATION</b>		
UK Corporation Tax charge on profit for the year	<u>0</u>	<u>0</u>
	2010 £000	2009 £000
<b>6 DEBTORS</b>		
Amounts falling due within one year		
Prepayments	68	52
Trade Debtors	0	25
	<u>68</u>	<u>77</u>
	2010 £000	2009 £000
<b>7 CREDITORS (AMOUNTS FALLING DUE WITHIN ONE YEAR)</b>		
Grants received in advance	0	30
Other tax and social security costs	22	21
Accruals and deferred income	26	32
Trade and Other creditors	60	79
Amounts due to The Retreat	25	0
Amounts due to Turning Point	74	183
	<u>207</u>	<u>345</u>
	2010 £000	2009 £000
<b>8 SHARE CAPITAL</b>		
Authorised Ordinary Shares of £1 each	1	1
	<u>1</u>	<u>1</u>

1 000 £1 Ordinary shares issued at face value  
500 shares issued to Turning Point and 500 shares to The Retreat