

Charity registration number 1180253

Company registration number 11047589 (England and Wales)

NEW PASTURES HOUSING LTD

**AMENDED ANNUAL REPORT
AND FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2022



NEW PASTURES HOUSING LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	E Allanson T Caulfield S Dick L Goldsbrough	(Appointed 28 September 2022)
Charity number	1180253	
Company number	11047589	
Registered office	Unit 1 Business Innovation Centre Staffordshire Technology Park Stafford	
Auditor	Barlow Andrews LLP Carlyle House 78 Chorley New Road Bolton	
Bankers	NatWest Bank Plc 24 Derby Street Leek ST13 5AF	

NEW PASTURES HOUSING LTD

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NEW PASTURES HOUSING LTD

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees (who are also directors of the charity for the purpose of the Companies Act) present their annual report and audited financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The charity was established in order to relieve persons who are in need as a consequence of being homeless, in particular but not exclusively people with severe and enduring mental illness, people with learning disabilities and people with other associated complexities and needs.

Mission Statement

We are committed to providing high class accommodation along with best in class support to enable independent living for our clients in the community.

What we do

New Pastures Housing is a charitable housing association and social landlord. We provide high quality accommodation to vulnerable adults. We work with statutory bodies, local authorities and a variety of charities in finding accommodation for those who require housing related support over and above that provided by a landlord providing general needs accommodation.

Each property is sourced considering the specific needs of our clients to ensure sustainability.

New Pastures Housing provide intensive support through a team of fully trained Tenancy Support Officers and skilled tradesmen to enable our clients to maintain a successful tenancy.

Who we do work with and why

New Pastures Housing does not discriminate when looking at who we support. Our charity status commits us to only providing support to those who are deemed vulnerable and require supported living. There is no definition in law as to what a vulnerable adult is, however, several statutory bodies have created definitions to help organisations like ourselves make the right choices. Below is a definition from the University Hospital of Southampton and we believe it perfectly describes the type of individual we can support.

" A vulnerable adult is a patient who is or may be for any reasons unable to take care of him or herself, or unable to protect him or herself against significant harm."

At New Pastures Housing, we believe that the start of fixing the problem lies with the provision of a secure, comfortable environment that people can call home; that's why we do it!

Passionate	about supporting those in our communities who are vulnerable
Exceeding	expectation when it comes to quality accommodation
Determined	to place the person at the heart of what we do
Empower	our teams to make the difference with the people we support
Partner	with all key stakeholders to maximise the chance of our clients living independently

The board and the team assembled to create the early operation came together to decide what values we wanted to adopt for our operation and why those values were important. We created the above as we believe it captures how we wish to operate perfectly and will give us the best chance of having a positive impact on our clients.

We measure our success using KPI's around our activities including occupancy rates, new units acquired, number of support visits, rental income and maintenance spend.

NEW PASTURES HOUSING LTD

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Occupancy levels have been at 96% for the period however, we have acquired no new units. This is predominantly the main reason for our deficit. Rental income for the units we do occupy are at 100% with all tenants in payment with the relevant Local Authority. We have managed to offset some of the impact around not acquiring any new units by managing our spend on maintenance.

The first veterans scheme, Operation Fortitude, was launched in Leek and successfully supported 9 forces veterans to integrate into the community.

We expanded our operation into the North West by acquiring our second scheme in Newton Le Willows.

We provided accommodation to and supported a total of 76 vulnerable individuals across the organisation.

Financial review

Income is received from two main sources. Firstly, all rents are provided by Housing Benefit claims. All applications for housing benefit have been approved and are in payment at the time of writing. In addition, we receive a rent free period or a rent capitalisation payment upon the acquisition of a new scheme. The rent free period or capitalisation period equates to the value of 9 months rent.

The total income of the charity in the year to the end of December 2022 was £1,371,416 (2021: £1,142,897) and total expenditure £1,835,737 (2021: £1,214,447) with a total deficit of £464,321 (2021: £71,550).

Going concern

As per the Statement of Financial Activities, it can be seen that a deficit of £464,321 has occurred in the current year. This deficit has occurred due to not acquiring as many buildings as we expected. Since the year end we have verbally agreed the acquisition of a further 65 units, with a new partner. Once this deal has been completed there will be a significant cash injection into the business.

We have undertaken budgeting and cashflow forecasting processes. Cashflow is being monitored on an almost daily basis. We continue to rely on the good grace of some of our suppliers in regard to payment of their liabilities.

Further details are noted in note 1.3.

Reserves policy

It is the policy of the charity that we aim to carry a level of free reserves which would enable us to cover 9 months' normal expenditure, including management, premises and administration costs. Using the current years figures this would amount to approximately £1.37 million. This is, of course, subject to annual review and considers our reinvestment back into the charity.

We acknowledge that our current position means that we are still working towards this ideal situation and we would like to achieve the full reserve within the next 3 to 5 years. This will be achieved by flipping the status quo and generating new property acquisitions which will deliver cash injections. Operation Fortitude will go a long way to helping us achieve this with a steady flow of referrals and an increased appetite from funders.

The trustees plan to build a small portfolio of property to create assets to support our reserves. This is a longer term initiative and will provide some stabilisation for the organisation.

The critical factor in achieving the reserve plan is a quick acquisition of 65 units which we have an agreement in principle in place with our main funding partner.

NEW PASTURES HOUSING LTD

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Funds in deficit

At 31 December 2022 unrestricted funds are in a deficit position, being £699,428, and therefore we do not currently have any free reserves.

This deficit has occurred due to not acquiring as many buildings in the year as we expected.

To offset this, at the time of writing this report we have verbally agreed the acquisition of 65 units with Fundamentum Social Housing Group which will deliver a cash injection of approximately £600,000.

It is essential that our operating units gets to 150 units as the current structure can deliver the management of that number of tenants. Whilst maintaining a similar cost base, our income would double, in turn having a significant impact on our margins.

We know for certain that there are opportunities available to acquire new schemes and we have taken positive steps to make these a reality. The obvious risk is that funders choose to allocate their property away from us. We believe this to be unlikely given the relationships and communications had to date.

Whilst an appreciation is given to the current financial picture, we expect to make a small surplus next year followed by more significant surpluses the following 2 years to get us to the point where we are meeting the reserve targets. We will do this by expanding our portfolio within the realms of Operation Fortitude and focus on housing veterans as part of the project.

Plans for future periods

Our primary focus going forward will be working alongside the Armed Forces Covenant and Riverside Housing to end Veterans homelessness. We have been selected as one of 9 supported accommodation providers as part of Operation Fortitude, a government backed project aimed at reducing the number of veterans without a home. We have been granted £240,000 in funding towards the costs of providing the support for veterans.

The award of this contract has caused heightened interest in our organisation from funders and Local Authorities as we are now providing a commissioned service.

Structure, governance and management

New Pastures Housing Ltd is a company limited by guarantee governed by its Memorandum and Articles of Association dated 6 November 2017. It was registered with the Charity Commission on 9 October 2018.

The Memorandum of Association sets out our objectives, powers and governance arrangements through our Articles of Association. In the event of winding up members have agreed to contribute a sum not exceeding £10.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

E Allanson

S Totten

T Caulfield

S Dick

L Goldsbrough

(Resigned 1 October 2022)

(Appointed 28 September 2022)

NEW PASTURES HOUSING LTD

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Our trustees are from a variety of backgrounds relevant to the work of the charity. Our trustees are responsible for the good governance, strategic direction, and oversight of the charity.

We recruit trustees who share the organisation's aims and values and who can support the work of the organisation.

The board is chaired by Elizabeth Allanson and has three other Trustees. The power of appointing Trustees is vested in the Trustees. Quarterly/monthly meetings of the Trustees are held to agree the board strategy and areas of activity. The day to day management and administration are carried out by Stuart Dick in his position as Director of Operations.

Training is available for all trustees, the training and development policy is based on the principles that the organisation:

- thinks of its trustees as an asset and believes that it should invest in that asset;
- believes that all its trustees have the potential to grow, both in their work role and personally, and it shall endeavour to provide opportunities for this growth;
- considers it appropriate to base such training and development opportunities on the requirements of the business, and decisions about investment in staff training and development should be shared between the organisation and the trustees;
- will ensure that appropriate procedures are in place to plan, deliver and evaluate training and development activity;
- wants to empower trustees to take some ownership of their own development, with support from the organisation as a whole;
- works within recognised good practice guidelines, such as the national standard of Investors in People, to ensure that both the quality and quantity of training and development is relevant and "fit for purpose";
- regularly reviews its overall level of investment in trustee training and development to ensure that adequate and appropriate resources are provided; and
- plans its training and development activities in line with industry standards, and therefore maintains relationships with relevant bodies, such as Sector Skills Council.

The organisation provides a range of training and development opportunities for trustees. These fall into three broad categories:

- Programmes relating to the enhancement of skills for a trustee's current position. These include internal and external courses providing technical training, for example specialist training relating to the skills that trustees require for their role.
- Programmes leading to a professional or academic qualification. The organisation encourages trustees who wish to do so to pursue continuous professional development and where appropriate to gain further qualifications.
- Programmes that have a specific focus to the role of a trustee in a charity. These include internal and external courses on governance and financial viability.

The board have adopted the Charity Commissions Code of Governance to ensure a fully open and transparent way of operating our charity with elements of the governance policy provided by the Regulator of Social Housing included to satisfy housing specific governance.

Remuneration policy

Any decisions relating to the remuneration of key management positions are benchmarked against similar organisations in the UK and voted on by the board. The board also discuss, agree and vote on all annual salary reviews.

Related parties

Any related party transactions are detailed in note 19 of the financial statements.

Auditor

Barlow Andrews LLP were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

NEW PASTURES HOUSING LTD

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED)

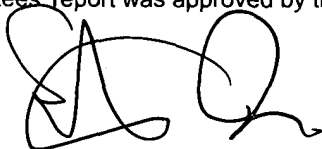
FOR THE YEAR ENDED 31 DECEMBER 2022

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

S Dick
Trustee

A handwritten signature in black ink, appearing to be 'S Dick', written over the printed name.

20 December 2023

NEW PASTURES HOUSING LTD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees, who are also the directors of New Pastures Housing Ltd for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

NEW PASTURES HOUSING LTD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NEW PASTURES HOUSING LTD

Opinion

We have audited the financial statements of New Pastures Housing Ltd (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the 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 charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern

We draw your attention to note 1.3 of the financial statements, which indicates that the charity incurred a net deficit during the year ended 31 December 2022 of £464,321 and, as of that date, the charity's current liabilities exceeded its current assets by £644,809. As stated within the going concern accounting policy on page 14, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the charity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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 course of 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.

NEW PASTURES HOUSING LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NEW PASTURES HOUSING LTD

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

Matters on which we are required to report by exception

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

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

NEW PASTURES HOUSING LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NEW PASTURES HOUSING LTD

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

The financial statements of New Pastures Housing Ltd for the year ended 31 December 2021 were not audited. As such, the comparative figures in the financial statements for the year ended 31 December 2022 are unaudited.

Use of our report

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

Alison Cornes (Senior Statutory Auditor)
for and on behalf of Barlow Andrews LLP

20 December 2023

Chartered Accountants
Statutory Auditor

Carlyle House
78 Chorley New Road
Bolton

NEW PASTURES HOUSING LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted funds	Restricted funds	Total	Unrestricted funds as restated	Restricted funds as restated	Total
		2022	2022	2022	2021	2021	2021
	Notes	£	£	£	£	£	£
Income from:							
Grants receivable for core activities	3	-	43,200	43,200	625	291,480	292,105
Charitable activities	4	1,328,216	-	1,328,216	850,792	-	850,792
Total income		1,328,216	43,200	1,371,416	851,417	291,480	1,142,897
Expenditure on:							
Charitable activities	5	1,658,097	175,520	1,833,617	1,129,266	83,877	1,213,143
Other	9	2,120	-	2,120	1,304	-	1,304
Total expenditure		1,660,217	175,520	1,835,737	1,130,570	83,877	1,214,447
Net expenditure for the year/net movement in funds		(332,001)	(132,320)	(464,321)	(279,153)	207,603	(71,550)
Fund balances at 1 January 2022		(367,427)	207,603	(159,824)	(88,274)	-	(88,274)
Fund balances at 31 December 2022		(699,428)	75,283	(624,145)	(367,427)	207,603	(159,824)

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NEW PASTURES HOUSING LTD

BALANCE SHEET

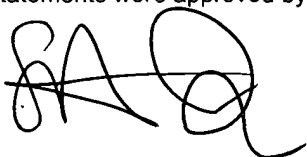
AS AT 31 DECEMBER 2022

		2022		2021 as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	11		94,953		83,667
Current assets					
Debtors	12	236,457		170,156	
Cash at bank and in hand		50,841		164,052	
		<u>287,298</u>		<u>334,208</u>	
Creditors: amounts falling due within one year	14	<u>(932,107)</u>		<u>(456,559)</u>	
Net current liabilities			(644,809)		(122,351)
Total assets less current liabilities			(549,856)		(38,684)
Creditors: amounts falling due after more than one year	15		(74,289)		(121,140)
Net liabilities			<u>(624,145)</u>		<u>(159,824)</u>
Income funds					
Restricted funds	16		75,283		207,603
Unrestricted funds			(699,428)		(367,427)
			<u>(624,145)</u>		<u>(159,824)</u>

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

The financial statements were approved by the Trustees on 20 December 2023

S Dick
Trustee



Company registration number 11047589

NEW PASTURES HOUSING LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	20		27,949		161,298
Investing activities					
Purchase of tangible fixed assets		(94,532)		(53,406)	
Net cash used in investing activities			(94,532)		(53,406)
Financing activities					
Proceeds from borrowings		-		47,437	
Repayment of borrowings		(37,000)		-	
Repayment of bank loans		(9,628)		(4,743)	
Net cash (used in)/generated from financing activities			(46,628)		42,694
Net (decrease)/increase in cash and cash equivalents			(113,211)		150,586
Cash and cash equivalents at beginning of year			164,052		13,466
Cash and cash equivalents at end of year			50,841		164,052

NEW PASTURES HOUSING LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

New Pastures Housing Ltd is a charity established under a trust deed. The registered office is Unit 1 Business Innovation Centre, Staffordshire Technology Park, Stafford.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Prior period error

Following a review of the prior year financial statements, an adjustment has been identified in regards to the recognition of restricted income. Restricted funds were understated by £207,603, and unrestricted funds overstated by £207,603. Income in relation to these funds of £291,480 has also been reclassified from charitable activities to grants receivable.

In the prior year, a loan included in other creditors was wholly classified as due within one year. Creditors falling due within one year were overstated by £85,509 and creditors falling due after more than one year were understated by £85,509.

On review of accruals, it has been noted that an accrual was omitted in the prior year in relation to rent of a property. Creditors falling due within one year were understated by £86,605, expenditure understated by £86,605 and unrestricted funds overstated by £86,605.

On review of expenditure, it was noted that support costs totalling £55,918 were not disclosed in the prior year.

The financial statements and related notes have been amended to reflect the changes.

NEW PASTURES HOUSING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.3 Going concern

These financial statements are prepared on the going concern basis. The trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future, however, the trustees are aware of certain material uncertainties which may cause doubt on the charity's ability to continue as a going concern.

At 31 December 2022 net current liabilities amounted to £644,809 (2021: £122,351), Unrestricted funds are in deficit by £699,428 (2021: deficit of £367,427).

The charity has net expenditure for the year of £464,321. This deficit has occurred due to not acquiring as many buildings in the year as the charity expected to. Since the yearend the trustees have verbally agreed the acquisition of a further 65 units with a new partner. Once this deal is completed there will be a significant cash injection into the business.

The trustees have undertaken budgeting and cashflow forecasting processes. Cashflow is being monitored on an almost daily basis. The trustees continue to rely on the good grace of some of their suppliers in regard to the payment of their liabilities. The trustees are actively pursuing additional funding streams and are hopeful these will come to fruition.

These circumstances create material uncertainties that cast significant doubt as to the ability of the charity to continue as a going concern. Despite the uncertainty, the trustees are reasonably confident that the charity can continue in operational existence for the foreseeable future and for these reasons continues to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.5 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Charitable rental income is derived from the provision of housing to vulnerable tenants. Income that is invoiced in advance or arrears is apportioned so that only that relating to the period of the financial statements is included in charitable activities.

Income from grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

Grants for the purchase of tangible fixed assets are credited to restricted income when receivable. Depreciation on the assets concerned is charged against the restricted fund.

NEW PASTURES HOUSING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.6 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Charitable expenditure comprises those costs directly incurred by the charity in the delivery to beneficiaries of its core activities and services. The support costs associated with delivery of these activities and services is also included.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

Support costs include those central functions which assist the work of the charity but do not directly undertake charitable activities.

1.7 Tangible fixed assets

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

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

Fixtures and fittings	50% straight line
Office equipment	20% - 33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

The depreciation charges on any tangible fixed assets purchased using restricted funds are allocated directly to that fund.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand.

1.9 Financial instruments

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

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

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

Basic financial assets

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

NEW PASTURES HOUSING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense within the Statement of Financial Activities.

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

1.11 Retirement benefits

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

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Grants receivable for core activities

	Unrestricted funds	Restricted funds	Total	Unrestricted funds as restated	Restricted funds as restated	Total as restated
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Government grants receivable	-	-	-	625	-	625
Other	-	43,200	43,200	-	291,480	291,480
	-	43,200	43,200	625	291,480	292,105

NEW PASTURES HOUSING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

4 Charitable activities

	Charitable Income 2022 £	Charitable Income 2021 as restated £
Charitable rental income	1,293,008	833,557
Other income	35,208	17,235
	<u>1,328,216</u>	<u>850,792</u>

NEW PASTURES HOUSING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

5 Charitable activities

	Charitable Expenditure 2022 £	Charitable Expenditure as restated 2021 £
Staff costs	429,498	241,460
Depreciation and impairment	83,246	60,677
Rent and rates	929,990	684,409
Insurance	56,792	30,602
Repairs and maintenance	101,746	66,250
Staff training and recruitment	10,324	8,030
Computer running costs	28,447	23,192
Motor and travel expenses	28,840	15,275
Printing, postage, stationery and advertising	9,546	4,003
Bank charges	905	310
Entertainment	207	424
Cleaning	13,149	2,189
Bad debts	34,412	9,053
Telecommunications	8,063	4,624
Legal and professional fees	6,118	3,476
Sundry expenses	4,622	2,111
	<u>1,745,905</u>	<u>1,156,085</u>
Share of support costs (see note 6)	77,692	55,918
Share of governance costs (see note 6)	10,020	1,140
	<u>1,833,617</u>	<u>1,213,143</u>
Analysis by fund		
Unrestricted funds	1,658,097	1,129,266
Restricted funds	175,520	83,877
	<u>1,833,617</u>	<u>1,213,143</u>

NEW PASTURES HOUSING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

6 Support and governance costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Staff costs	51,234	-	51,234	37,579	-	37,579
Rent and rates	12,000	-	12,000	12,000	-	12,000
Power, light and heat	14,458	-	14,458	6,339	-	6,339
Audit fees	-	10,020	10,020	-	-	-
Independent examination fees	-	-	-	-	1,140	1,140
	<u>77,692</u>	<u>10,020</u>	<u>87,712</u>	<u>55,918</u>	<u>1,140</u>	<u>57,058</u>
Analysed between						
Charitable activities	<u>77,692</u>	<u>10,020</u>	<u>87,712</u>	<u>55,918</u>	<u>1,140</u>	<u>57,058</u>

Under the terms of the grant agreements, support costs can not be allocated to restricted funds and therefore all support costs remain within unrestricted charitable activities.

7 Trustees

During the year, Stuart Dick (trustee) was remunerated £65,521, including employer's pension contributions of £1,321, as part of his day-to-day management of the charity (2021: 63,451). No other trustee received any benefits or expenses.

Stuart Dick is also considered to be the key management personnel of the charity.

8 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	<u>15</u>	<u>9</u>
Employment costs	2022 £	2021 £
Wages and salaries	428,375	256,852
Social security costs	43,201	16,496
Other pension costs	9,156	5,691
	<u>480,732</u>	<u>279,039</u>

NEW PASTURES HOUSING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

8 Employees

(Continued)

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2022 Number	2021 Number
£60,001 to £70,000	1	1

9 Other

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Financing costs	2,120	1,304

10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

11 Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost			
At 1 January 2022	150,709	30,326	181,035
Additions	94,532	-	94,532
At 31 December 2022	245,241	30,326	275,567
Depreciation and impairment			
At 1 January 2022	88,563	8,805	97,368
Depreciation charged in the year	77,394	5,852	83,246
At 31 December 2022	165,957	14,657	180,614
Carrying amount			
At 31 December 2022	79,284	15,669	94,953
At 31 December 2021	62,146	21,521	83,667

NEW PASTURES HOUSING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

12 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	185,997	157,334
Other debtors	2,738	2,747
Prepayments and accrued income	47,722	10,075
	<u>236,457</u>	<u>170,156</u>

13 Loans and overdrafts

	2022	2021 as restated
	£	£
Bank loans	35,629	45,257
Other loans	97,689	134,689
	<u>133,318</u>	<u>179,946</u>
Payable within one year	59,029	58,806
Payable after one year	74,289	121,140

14 Creditors: amounts falling due within one year

	Notes	2022	2021 as restated
		£	£
Bank loans	13	9,849	9,626
Other borrowings		49,180	49,180
Other taxation and social security		30,761	8,344
Trade creditors		432,704	208,824
Other creditors		1,773	1,174
Accruals and deferred income		407,840	179,411
		<u>932,107</u>	<u>456,559</u>

15 Creditors: amounts falling due after more than one year

	Notes	2022	2021 as restated
		£	£
Bank loans	13	25,780	35,631
Other borrowings		48,509	85,509
		<u>74,289</u>	<u>121,140</u>

NEW PASTURES HOUSING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds		
	Incoming resources as restated	Resources expended as restated	Balance at 1 January 2022 as restated	Incoming resources	Resources expended	Balance at 31 December 2022
	£	£	£	£	£	£
Merridale Street	114,510	(83,877)	30,633	-	(13,348)	17,285
Legh Street	176,970	-	176,970	-	(143,674)	33,296
Allendale Walk	-	-	-	43,200	(18,498)	24,702
	<u>291,480</u>	<u>(83,877)</u>	<u>207,603</u>	<u>43,200</u>	<u>(175,520)</u>	<u>75,283</u>

Restricted funds relate to grants received to cover rental costs and the purchase of furniture.

17 Analysis of net assets between funds

	Unrestricted funds 2022	Restricted funds 2022	Total 2022	Unrestricted funds 2021 as restated	Restricted funds 2021 as restated	Total 2021 as restated
	£	£	£	£	£	£
Fund balances at 31 December 2022 are represented by:						
Tangible assets	33,537	61,416	94,953	2,034	81,633	83,667
Current assets/(liabilities)	(658,676)	13,867	(644,809)	(248,321)	125,970	(122,351)
Long term liabilities	(74,289)	-	(74,289)	(121,140)	-	(121,140)
	<u>(699,428)</u>	<u>75,283</u>	<u>(624,145)</u>	<u>(367,427)</u>	<u>207,603</u>	<u>(159,824)</u>

18 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 as restated £
Within one year	665,910	433,523
Between two and five years	2,643,640	1,336,200
In over five years	8,618,877	4,803,153
	<u>11,928,427</u>	<u>6,572,876</u>

NEW PASTURES HOUSING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

18 Operating lease commitments

(Continued)

Lessor

At the reporting end date the charity had contracted with tenants for the following minimum lease payments:

	2022 £	2021 £
Within one year	107,272	98,572

19 Related party transactions

During the year, a person closely connected to a trustee was paid £6,500 for provision of project management and marketing services.

20 Cash generated from operations

	2022 £	2021 £
Deficit for the year	(464,321)	(71,550)
Adjustments for:		
Depreciation and impairment of tangible fixed assets	83,246	60,677
Movements in working capital:		
Increase in debtors	(66,301)	(96,812)
Increase in creditors	475,325	268,983
Cash generated from operations	27,949	161,298

21 Analysis of changes in net (debt)/funds

	At 1 January 2022 £	Cash flows £	Other non-cash changes £	At 31 December 2022 £
Cash at bank and in hand	164,052	(113,211)	-	50,841
Loans falling due within one year	(58,806)	-	(223)	(59,029)
Loans falling due after more than one year	(121,140)	46,628	223	(74,289)
	<u>(15,894)</u>	<u>(66,583)</u>	<u>-</u>	<u>(82,477)</u>