

REGISTERED NUMBER: 06984884 (England and Wales)

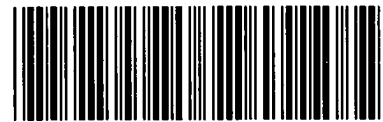
RSH REGISTERED NUMBER: 4763

ABRIDGED AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

FOR

NEW WALK PROPERTY MANAGEMENT
C.I.C.

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**NEW WALK PROPERTY MANAGEMENT
C.I.C. (REGISTERED NUMBER: 06984884)**

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FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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**NEW WALK PROPERTY MANAGEMENT
C.I.C. (REGISTERED NUMBER: 06984884)**

**ABRIDGED BALANCE SHEET
30 SEPTEMBER 2022**


	Notes	£	2022 £	£	2021 £
FIXED ASSETS					
Tangible assets	6		4,109,912		3,823,600
CURRENT ASSETS					
Debtors		269,461		257,959	
Cash at bank and in hand		736,984		795,815	
		1,006,445		1,053,774	
CREDITORS					
Amounts falling due within one year		740,619		353,111	
NET CURRENT ASSETS			265,826		700,663
TOTAL ASSETS LESS CURRENT LIABILITIES			4,375,738		4,524,263
CREDITORS					
Amounts falling due after more than one year	7		4,612,999		4,397,611
NET (LIABILITIES)/ASSETS			(237,261)		126,652
CAPITAL AND RESERVES					
Called up share capital			100		100
Retained earnings			(237,361)		126,552
SHAREHOLDERS' FUNDS			(237,261)		126,652

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

All the members have consented to the preparation of an abridged Income Statement and an abridged Balance Sheet for the year ended 30 September 2022 in accordance with Section 444(2A) of the Companies Act 2006.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 11/04/2023 and were signed on its behalf by:



Miss T Clenaghan - Director

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

1. STATUTORY INFORMATION

New Walk Property Management C.I.C. is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address are as below:

Registered number: 06984884

Registered office: Barrington House
41-45 Yarm Lane
Stockton On Tees
Cleveland
TS18 3EA

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and including the provisions of Section 1A "Small Entities" and the Companies Act 2006. In complying with FRS 102, the company meets the definition of a public interest company. The disclosure requirements of FRS 102 Section 1A have been applied other than where additional disclosure is required to show a true and fair view, The Statement of Recommended Practice for registered housing providers: Housing SORP 2018 and the Accounting Direction for Private Registered Providers of Social Housing 2019 disclosure requirements have also been applied.

The financial statements have been prepared under the historical cost convention.

Critical accounting judgements and key sources of estimation uncertainty

The following judgement has had the most significant effect on amounts recognised in the financial statements:

Social housing properties are classified as property, plant and equipment on the basis that they are held for the provision of social housing purposes only.

Social housing properties are shown at cost plus grant commitments taken over on purchase and incidental costs of acquisition and are not depreciated. The directors are of the opinion that the residual value of the property would not be materially different to its carrying value.

Turnover

Turnover represents fees receivable in respect of social housing which is either owned or leased by the company. Revenue is recognised in the period to which it relates.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold property improvement	- Over the term of the lease
Fixtures and fittings	- 20% on reducing balance

Government grants

Grant commitments taken over on the purchase of properties are added to the property cost. A liability is recognised for the amount, which is retained on the balance sheet and is not written down.

Grants in respect of capital expenditure incurred in respect of leased properties are credited to a deferred income account on the balance sheet and are not written down.

Grants in respect of revenue items are credited to the income statement in the period to which they relate or as any related expenditure is incurred.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable surpluses.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to surplus or deficit on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the income statement in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 43 (2021 - 35).

4. DIRECTORS' EMOLUMENTS

	2022	2021
	£	£
Directors' remuneration	128,228	117,881
Directors' pension contributions to money purchase schemes	<u>2,486</u>	<u>2,361</u>

Amounts included above which are paid to non-executive directors totalled £30,000 (2021: £33,200)

The highest paid director received a total of £51,242 (2021: £46,163) and other key personnel received £49,472 (2021: £40,880).

All key personnel are part of the standard auto enrolment pension scheme.

5. AUDITORS' REMUNERATION

	2022	2021
	£	£
Fees payable to the company's auditors for the audit of the company's financial statements	<u>7,800</u>	<u>7,800</u>

**NEW WALK PROPERTY MANAGEMENT
C.I.C. (REGISTERED NUMBER: 06984884)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

6. TANGIBLE FIXED ASSETS

	Totals
	£
COST	
At 1 October 2021	3,877,810
Additions	<u>293,799</u>
At 30 September 2022	<u>4,171,609</u>
DEPRECIATION	
At 1 October 2021	54,210
Charge for year	<u>7,487</u>
At 30 September 2022	<u>61,697</u>
NET BOOK VALUE	
At 30 September 2022	<u>4,109,912</u>
At 30 September 2021	<u>3,823,600</u>

Included within the total tangible fixed assets cost at 30 September 2022 is £3,982,388 (30 September 2021: £3,688,589) relating to social housing properties. This figure comprises of £1,342,552, being the cost of the properties, plus £2,639,836, being grant commitments taken over on purchase. It is not envisaged that these grants will be repaid unless the properties are sold or these monies are not reinvested into social housing

Social housing properties are shown at cost plus grant commitments taken over on purchase and incidental costs of acquisition and are not depreciated. The directors are of the opinion that the residual value of the property would not be materially different to its carrying value.

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN FIVE YEARS

	2022	2021
	£	£
Repayable otherwise than by instalments		
Other loans	<u>1,380,000</u>	<u>1,380,000</u>

8. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022	2021
	£	£
Within one year	1,495,799	1,470,583
Between one and five years	5,974,474	5,860,548
In more than five years	<u>7,199,538</u>	<u>8,524,934</u>
	<u>14,669,811</u>	<u>15,856,065</u>

Included in the above figures are £14,666,073 (2021: £15,845,946) in respect of operating lease payments relating to leases of social housing properties.

**NEW WALK PROPERTY MANAGEMENT
C.I.C. (REGISTERED NUMBER: 06984884)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

9. SECURED DEBTS

The following secured debts are included within creditors:

	2022	2021
	£	£
Other loans	<u>1,380,000</u>	<u>1,380,000</u>

The loan outstanding at 30 September 2022 is secured against the 110 units that were purchased with the loan funds.

10. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Anne Cowley BA FCA (Senior Statutory Auditor)
for and on behalf of Baines Jewitt Limited

11. RELATED PARTY DISCLOSURES

The following transactions occurred with related parties:

Professional fees were paid to a company with a common director in the sum of £900 (2021: £3,975)
Interest was charged on a loan made to the company by a director in the sum of £23,683 (2021: £10,000)

The only balance outstanding at the year end related to an amount due to a director of £554,741 (2021: £559,104).

In addition, loan interest in the sum of £115,128 (2021: £107,140) was paid to New Walk Property Limited, an associated company. The balance outstanding at 30 September 2022 was £1,380,000 (2021: £1,380,000). The loan is secured against the 110 units purchased with the loan funds. This loan is due to be repaid on 31 October 2030.

12. GRANT COMMITMENTS

Included within creditors falling due after more than one year is the sum of £2,639,836 relating to grant commitments taken over on the purchase of social housing properties. These grant commitments will only be due to be repaid if the properties are sold or those monies are not reinvested into social housing.

Included within creditors is the sum of £93,163 in respect of grant income received in connection with refurbishment work required in respect of social housing units which are leased. The refurbishment costs have been capitalised in the accounts and are being depreciated. The related grant is included in creditors and is not written down but will be released after 20 years. The grant is not repayable unless the properties cease to be used for social housing or the amounts received are not reinvested into social housing.

CIC 34

Community Interest Company Report

For official use
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capitals.*

**Company Name in
full**

New Walk Property Management C.I.C

Company Number

06984884

Year Ending

30 September 2022

(The date format is required in full)

Please ensure the company name is consistent with the company name entered on the accounts.

This template illustrates what the Regulator of Community Interest Companies considers to be best practice for completing a simplified community interest company report. All such reports must be delivered in accordance with section 34 of the Companies (Audit, Investigations and Community Enterprise) Act 2004 and contain the information required by Part 7 of the Community Interest Company Regulations 2005. For further guidance see chapter 8 of the Regulator's guidance notes and the alternate example provided for a more complex company with more detailed notes.

(N.B. A Filing Fee of £15 is payable on this document. Please enclose a cheque or postal order payable to Companies House)

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

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

Principle Activity

The principal activity of the Company in the period under review has been the provision of social housing, intensive housing management and related support services - primarily to the vulnerable homeless people in the North East of England. The company provides specialist housing and housing related support to over 400 service users in our accommodation facilities.

Review of Business

This is the company's thirteenth period of reporting and it's tenth since gaining Registered Provider status with the Regulator of Social Housing. During the period the main company objectives were to manage the risks associated with fluctuating market conditions, adapting to inflationary pressures and the cost of living crisis, with the aim of continuing a steady state operation, continue focus on being an asset owning RP and to ensure that the business can develop across the broader social housing spectrum.

Performance against occupancy and void KPI metrics fluctuated throughout the reporting period, with the lasting effects of Covid-19 impacting referral pathways in some schemes and a lack of movement among the client base increasing our void levels at the beginning of the reporting period, with things stabilised toward the end. Despite this, the company performed well against KPIs in this period in relation to a growth in revenue. We have, however, been significantly impacted by inflationary pressure and rising costs which has impacted our margins.

The development of the business over this accounting period has seen us increase our property portfolio by a further 12 units of Social Housing assets. In order to continue to balance the estate profile, we have increased our investment in owned assets. We have allocated a significant amount of revenue to renovate recently acquired property, and improve our existing stock, specifically relating to Fire Regulation - all of which is highlighted in exceptional items.

We expect our position to improve over the coming years as we continue to diversify our stock and operate new assets. The Company's core business is still the provision of specialist supported housing, housing management and related signposting to vulnerable service users. These intensive schemes and move on properties continue to provide service users with structured access to a housing pathway with support services and social housing via Local Authority supported programmes. In the reporting period we have effectively managed our Specialist Supported Housing stock, working in partnership with the Local Authorities to meet their strategic housing needs.

Client behaviour is, as ever, evolving in line within the broad market trends of recent years. Our staff and service provision has had to evolve very quickly to cope with these new trends and it is apparent that regardless of previous successes, there will be a shift of outcomes expected in the coming months and years as the impacts of the cost of living crisis are felt across the nation. Within the homelessness sector things such as poor mental health, addiction issues, domestic violence and social isolation are on the rise due to the impact of the cost of living crisis.

Throughout the period, revenue and expenditure budgets have been adhered to where possible and the risks to the Company managed accordingly. The Directors and Board are fully satisfied that the Company is financially viable and will continue to meet and deliver on our objectives working with the most vulnerable, complex and chaotic members of our community. The activities of the Company have again saved lives in ways we could never previously have considered and this has resulted in improved outcomes for vulnerable people. We remain committed to working with our client group through the coming challenges as we grow the business in the coming years.

Value for money targets

The board sets financially sustainable plans to ensure that the organisation has the resources it needs to deliver its strategy, giving specific consideration in setting such plans to value for money, financial and social sustainability. This includes scrutinising key operational and financial performance information, and information concerning resident insights and satisfaction.

Regular and appropriate consideration is given by the board to potential value for money gains - this must include full consideration of costs and benefits for delivering homes that are proportionate to a range of needs with the aim of preserving social housing. Development of new schemes, with a view to diversifying assets and building wider revenue streams, in order to reduce costs centrally is a property acquisition objective aimed at maximising our value for money metrics. Make Every Adult Matter as a data-set is the framework agreed at board level to assess value for money in meeting service delivery objectives and demonstrating their delivery of value for money to stakeholders.

Certifying governance and financial viability standards

The Company has a strategy in place to comply with governing documents and all regulatory requirements, be accountable to tenants, the regulator and relevant stakeholders, safeguard taxpayers' interests and the reputation of the sector and adhere to all relevant law.

We assess our compliance with the Governance and Financial Viability Standard at least once a year and maintain a regulatory compliance document to ensure this is ongoing and responsive.

It is acknowledged that there has been a large amount of revenue allocated to improvements this year for renovation and fire regulation improvements - as previously mentioned, this is reflected within exceptional items.

Disclosure made to the corporate governance code

The National Housing Federation Code of Governance 2020 is the corporate governance code we have adopted as an organisation with external consulting support to provide assistance. We are broadly compliant with this code of governance, the majority of the amber assessment gradings can be made good once all outstanding recommendations are completed and implemented, as instructed by our specialist consultant. There is an action plan in place and we expect to be compliant in these areas for the next review.

Risk

The board retains ultimate responsibility for risk management and ensures that appropriate risk management arrangements are in place. Before taking on new liabilities, we ensure that we understand and manage the likely impact on current and future business and adhere to regulatory standards.

The board ensures that the organisation is resilient to the risk it may face, maintaining a risk register that is reviewed at each meeting against identified risks across a range of scenarios, with appropriate mitigations and suitably comprehensive, tested and up-to-date business continuity plans in place.

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

(Please continue on separate continuation sheet if necessary.)

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

Our service users, referring agencies, local authorities and sign posting services are the main stake holders in our schemes. We still conduct our annual service user feedback survey and continually maintain regular meetings with referrers, councils and all the support agencies to promote and optimise our services. These consultations in the reporting period have maintained our list of agencies at about 70 and seen to maintenance of an Information Sharing Protocol between the key agencies supporting our service users.

In the reporting period the main focus was to continue with partnership development to compliment service users and also improve our capacity to deliver against the Supporting People contract. We have consulted with Service Users, the Local Authority and key support agencies to prioritise these services and based on these meetings.

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

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

Directors remuneration – as per salary information in accounts.

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

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

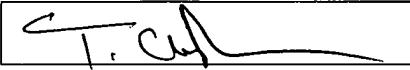
(Please continue on separate continuation sheet if necessary.)

PART 5 – SIGNATORY (Please note this must be a live signature)

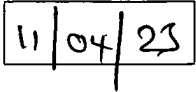
(DD/MM/YY)

The original report must be signed by a director or secretary of the company

Signed



Date



Please note that it is a legal requirement for the date format to be provided in full throughout the CIC34 report.

Applications will be rejected if this information is incorrect.

Office held (delete as appropriate) Director/Secretary

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

	Tel
DX Number	DX Exchange

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

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

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

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

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