

# Financial Statements

## Newground Together

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**For the year ended 31 March 2022**

**Company No 02501885**

**Charity number 702800**

## Company information

<b>Company registration number</b>	02501885
<b>Registered charity number</b>	702800
<b>Registered office</b>	193 Bolton Road Blackburn BB2 3GE
<b>Banker</b>	Barclays Bank PLC 3 Hardman Square Spinningfields Manchester M3 3HF
<b>Solicitor</b>	Wrigleys LLP 19 Cookridge Street Leeds LS2 3AG
<b>Auditor</b>	BDO LLP 3 Hardman Square Spinningfields Manchester M3 3AT

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# Report of the Trustees

The Trustees, who are directors of the charitable company for the purposes of company law, present their report together with the financial statements for the year ended 31 March 2022.

## **Directors and trustees**

The directors of the charitable company (the charity) are also its trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees serving during the year and up to the date of approval of the financial statements were as follows:

Lesley Burrows (appointed 22 June 2022)  
Alan Cotton (resigned 22 June 2022)  
Colin Davies (appointed 22 June 2022)  
Jane Fowler (appointed 7 July 2021) (resigned 10 April 2022)  
Gwynne Furlong  
Martin Gore (appointed 22 June 2022)  
Thomas Hague (appointed 22 June 2022)  
Malcolm Harrison (resigned 22 June 2022)  
James Hartley  
Zaffer Khan  
Kevin Leith (resigned 22 June 2022)  
John Townsend (resigned 22 June 2022)

# Report of the Trustees Continued

## **Structure, governance and management**

### **Governing document**

Newground Together is a company limited by guarantee governed by its Memorandum and Articles dated 14 May 1990 and amended to allow for current governance arrangements on 26 November 1998. The Memorandum and Articles were further amended on 15 December 2009, 5 February 2010, 21 July 2010 and 26 June 2013 (incorporating the expansion of Newground Together's objects to cover the North of England).

The charitable company has no share capital and is limited by guarantee, whereby each member undertakes to contribute £1 to the assets of the company in the event of winding up.

### **Organisation**

The charity is administered by the board of Trustees. The board meets quarterly. The operations of the charity are managed by the Newground Together Senior Management Team, to whom the members have delegated all operational matters.

An element of the charity's direct operations are carried out by its wholly-owned Community Interest Company, Newground CIC. The unique features of a Community Interest Company ensure that all surpluses generated benefit the community. Newground CIC is overseen by its own board of Executive Directors.

In addition, the charity's objects are furthered by the awarding of commissions to third parties to deliver key activities in priority locations where the charity does not have an in-house delivery capability. A community grant programme provides small grants to community groups to deliver projects in their local neighbourhoods.

Newground Together is a member of Together Housing Group a registered social landlord managing over 36,000 properties in the North of England. The Chair of the Newground Together board is a member of the Together Housing Group board.

Newground CIC has 100% ownership of the following dormant companies – The Compliance People Limited, The Flood Hub Limited and Groundwork Pennine Lancashire Limited.

### **Appointment of trustees**

There are up to 8 Trustee positions. At 31<sup>st</sup> March 2022 the Charity had no vacant Trustee positions. Trustee appointments are for a fixed term of no longer than 3 years. If a Trustee has completed 3 terms of continuous service on the board of the charity, they shall not be eligible for re-appointment. Following a recruitment process four new Trustees were appointed in June 2022, due to Trustees reaching the end of their tenure.

The Trustees do not receive any remuneration or benefits from the charity.

### **Trustee induction and training**

New members take part in an induction day and also undergo a series of induction meetings to help them understand the organisation and their roles and responsibilities as Trustees. As the members may not necessarily have been charity Trustees before, briefings on the duties of a charity Trustee and charity law are provided for all Trustees. New guidance and good practice information from the Charity Commission is relayed to Trustees on a regular basis. Electronic Board Packs provide Trustees with an information resource. A Trustee appraisal process is in place.

# Report of the Trustees Continued

## Objectives and activities

Newground Together aims to empower people to create sustainable communities that are connected, resilient, healthy and prosperous to achieve our ambition: better lives and opportunities for our communities.

The objects of the Newground Together charity are:

- (1) To promote for the benefit of the public the conservation, protection and improvement of the physical and natural environment anywhere in the North of England.
- (2) To promote for the benefit of the public urban or rural regeneration in areas of social and economic deprivation anywhere in the North of England by all or any of the following means:
  - (a) the relief of financial hardship;
  - (b) the relief of unemployment;
  - (c) the advancement of education, training or retraining, particularly among unemployed people, and providing unemployed people with work experience;
  - (d) the provision of financial assistance, technical assistance or business advice or consultancy in order to provide training and employment opportunities for unemployed people in cases of financial or other charitable need through help: (i) in setting up their own business, or (ii) to existing businesses;
  - (e) the creation of training and employment opportunities by the provision of workspace, buildings, and/or land for use on favourable terms;
  - (f) the maintenance, improvement or provision of public amenities;
  - (g) the protection or conservation of the environment;
  - (h) the promotion of health, welfare and personal development opportunities for persons living within those areas; and
  - (i) such other means as may from time to time be determined subject to the prior written consent of the Commission.
- (3) To promote the provision of facilities for recreation or other leisure time occupation for individuals in the North of England who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public generally in the North of England in the interests of social welfare and with the object of improving their conditions of life.
- (4) To advance in life and relieve the needs of young people in the North of England through:
  - (a) the provision of recreational and leisure time activities provided in the interests of social welfare designed to improve their conditions of life;
  - (b) providing support and activities which develop their skills, capacities and capabilities to enable them to participate in society as mature and responsible individuals.
- (5) To advance education (including training) in such ways as the directors think fit.

## Public benefit

The overall practical purpose of the charity is to help make the North of England more sustainable and to improve the social conditions of those living and working there.

Public benefit is achieved both through direct delivery, commissions and through an open community grants programme. In taking this approach, the Trustees confirm that they have had regard to the Charity Commission's general guidance on public benefit. Outputs secured from projects completed in 2021/22 are detailed in the achievements and performance section.

# Report of the Trustees Continued

## **Strategic Report**

### **Achievements and performance**

The main strategic goals of Newground Together in 2021/22 were to:

- Ensure that funds were allocated appropriately during 2021/22.
- Implement a board recruitment programme to support succession plans.
- Ensure that appropriate governance was in place and maintained.
- Access funding from a range of funding sources
- Maintain a flexible approach to project activity, taking into account covid restrictions
- Promote the activities of Newground Together.

In the 12 months to 31 March 2022 Newground Together has allocated funding to a value of £1,413,563.

Activity was focused on three key themes;

- To support people into employment or to enhance their work position
- To engage people in the local environment
- To create opportunities for people to thrive in their communities

Through driving investment in activities and projects that enhance our neighbourhoods, connect people to the natural environment, enrich social inclusion, and create employment and skills opportunities, our goal is to strengthen our communities by cultivating a sense of local pride in the places where people live, learn, work and play. When people feel empowered, confidence increases, and they feel a sense of control enabling them to influence positive change, creating sustainable communities that are connected, resilient, safe, healthy and prosperous.

The impacts of the covid pandemic on mental health and wellbeing, social isolation and people's financial situation left many with low levels of confidence and often not sure where or who to turn to for help. Building trust and supporting people to take the first steps offered vital support.

As the post-covid landscape evolved throughout the year, understanding the local labour market conditions and recruitment challenges facing employers has enabled us to tailor our support; offering vocational learning opportunities alongside mentoring support to provide training and re-training to give people the best chance of securing work in priority sectors including health and social care, warehousing and manufacturing, retail and hospitality.

Many people we work with struggle to access traditional, college-based learning provision for a whole host of reasons; negative experiences of school, fear of the college and classroom environment, large group sizes, travel, and the challenges of attending around home and family commitments. This year Newground Together has developed a community-based learning team to sit alongside our existing employment programmes to provide access to learning opportunities to support participants into work and remove barriers to living healthy and financially sustainable lives.

Our activities supported 1,254 people with employment advice and training, with over 1,230 training outcomes achieved, resulting in 339 people securing employment.

During the year Newground Together was well placed to respond to local needs and hardship resulting firstly from the Covid-19 pandemic, followed by the cost of living crisis. Our teams continued to support local foodbanks, while 7,571 emergency fuel vouchers were distributed at a value of £332,937. In Calderdale we supported the local authority to distribute financial support to vulnerable residents.

## Report of the Trustees Continued

Our Great Outdoors Team supported volunteers at our community garden project - Offshoots, a central place for volunteering and community sessions, enabling people to get out in the fresh air and reduce the feelings of isolation many of them were experiencing during the pandemic. With normal exercise regimes disrupted, daily walks were the only way for many to get exercise and fresh air. We also celebrated the 20th year of our organised walking groups in East Lancashire. Our walkers became more connected with each other and grew in numbers as more people than ever rediscovered the outdoors, found the joy in engaging with the natural environment and joined the groups for weekly exercise and companionship.

Newground Together's Youth Team worked in communities, engaging with 1,350 young people to support their personal, social and educational development and enable them to gain a voice, influence and a place in society. Our Youth Workers helped young people to engage positively with their local communities, supporting them to realise their potential and to address life's challenges. In 2021 we were commissioned by Calderdale Council to deliver Open Access Youth Provision in Halifax, extending our offer for young people with three new Youth Clubs based in communities in Mixenden, Ovenden and Rastrick.

Our community grants programme supported resident groups, grass root community organisations and volunteer-led groups providing financial support to local community-based organisations doing fantastic work in the heart of our communities. These projects included a spring planting project, a food growing and horticulture project and a computer learning programme for young people.

### **Plans for the future**

Newground Together will undertake specified programmes that meet the charitable objects through direct delivery and commissions through its Community Interest Company. A programme of open community grants aimed at local residents' groups will be delivered with a view to supporting the development of grass roots community activity. In addition, commissions will be developed with partner organisations to further the charitable objects.

The key themes remain;

- To support people into employment or to enhance their work position
- To engage people in the local environment
- To create opportunities for people to thrive in their communities

The key objectives for 2022/23 are to:

- Ensure that appropriate governance is maintained
- Ensure that charitable funds are allocated appropriately
- Build our brand, reputation and profile
- Operate in a safe sustainable way
- Secure external funding streams beyond the European Social Fund
- Create a positive work culture and work environment
- Implement robust systems to maintain operational efficiency and quality

### **Risk management**

The members have a risk management register in place which identifies the major risks to which the charity is exposed. This is reviewed and, where necessary, updated at each board meeting. The members regularly review the systems established to mitigate those risks.



## Report of the Trustees Continued

Principle risks identified are;

- Failure to secure external funding streams, limiting the charity's ability to deliver its objects – minimised through strong relationships with stakeholders, a strong track record of delivery, monitoring of funding opportunities and marketing the charity's offer.
- Reputational damage from negative publicity – mitigated through policies, processes and procedures.
- Loss of personal data – minimised through policy, procedures, training and data sharing agreements
- Loss of key staff or Trustees – mitigated through succession planning, training and development.

The Together Housing Group Risk Management and Audit Committee is responsible for oversight and scrutiny of the Newground Together risk register on behalf of Together Housing Group.

### **Governance Code**

The charity recognises the need for effective governance and leadership through compliance with the 7 principles of the Charity Commission's Governance Code.

### **Going Concern**

The Covid-19 pandemic continued to have an impact on Newground Together and its activities throughout the 2021/22 financial year. The pandemic affected the ability to meet people face to face and run group activities from community centres, although new projects and activities were developed to meet emerging needs. The senior management team regularly reviewed financial performance against the business plan and reforecast midway through the year.

The board of Trustees have approved the 2022/23 Business Plan and the organisation will continue to operate as a going concern with the board and senior management team continuing to review performance on a regular basis and taking steps to mitigate any emerging risks throughout the year.

### **Financial review**

The consolidated statements for the group show the financial affairs of Newground Together and its wholly owned subsidiary Newground CIC.

The statement of financial activities shows that there was net income for the group for the financial year of £441,360 (2021: expenditure of £310,048). This resulted in accumulated fund balances of £2,642,036 (2021: £2,200,676).

For the charitable company, the statement of financial activities, shows net incoming resources of £161,530 (2021: outgoing resources £332,765) for the financial year. This resulted in accumulated fund balances of £1,342,775 (2021: £1,181,245).

The operating divisions delivered projects during 2021/22;

**Business Services** had a turnover of £2,583,344 (2021: £2,161,604). The division delivered environmental, health & safety services including subscription services, flood resilience programmes, training and consultancy.

## Report of the Trustees Continued

**Sustainable Communities** had a turnover of £2,131,056 (2021: £949,736). The Sustainable Communities Division has continued to deliver the charitable objects through employment support, youth and community work, environmental education and health and wellbeing projects for a range of clients including local authorities, Housing Association's, schools and those in the private sector.

**Landscape Services** had a reduced turnover of £359,590 (2021: £7,477,178) due to an internal restructure of its services. The Landscape Services Division continued to deliver a range of projects and services to clients including local authorities, parish councils, community groups, schools and businesses. The division managed the delivery of void property clear and clean services, grounds maintenance and estate services on behalf Together Housing Association until October 2021.

The ratio of current assets to current liabilities on the consolidated balance sheet is 1.9:1 (2021: 1.8:1) while the ratio of cash only to current liabilities is 1.3:1 (2021: 1.3:1).

The group and charitable company funds fall into the following categories:

**Other unrestricted funds** of the group and the charitable company represents funds held for day to day running of the Trust. The Group had net incoming resources before transfers for the year of £436,701 (2021: £301,169) and the charitable company had net incoming resources before transfers of £161,530 (2021: £332,765). After transfers this resulted in unrestricted fund balances of £2,422,072 (2021: £2,113,213), with restricted for the group being £219,964 (2021: £87,463) and unrestricted for the company of £2,289,570 (2021: £1,470,222) and restricted with a loss of £946,795 (2021: £288,978) for the charitable company.

### Financial risk management objectives and policies

The charity has a reserves policy in place to cover unforeseen risks and the board monitors expenditure and committed funds at each meeting to ensure that expenditure commitments do not exceed the value of funding that has been secured.

The Trustees of the charity recognise the need to hold a level of unrestricted reserves to secure the charity's future viability and that these should be maintained for the following reasons:

- To provide for the orderly winding down of all or part of the charity's operations in the event of a significant adverse event that is outside the charity's control, which might include the loss of major funding sources or grant programmes.
- To provide cover for any unforeseen down-turn in activity and to allow for generating new replacement activity in pursuit of the charity's charitable objectives.
- To maintain a positive cashflow.

The Reserves Policy was reviewed in December 2021.

### Investment powers and policy

Under the charity's Memorandum and Articles of Association, the charity has the power to invest in any way the Trustees consider appropriate. The Trustees have adopted an investment policy in line with Charity Commission guidelines which considers the level of acceptable risk and the charity's position on ethical investment.

# Report of the Trustees Continued

## **Trustees' responsibilities statement**

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.


The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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.

Financial statements are published on the Together Housing Group website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

## **Auditors**

All of the Trustees as at the date of this report have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information. The Trustees are not aware of any relevant audit information of which the company's auditor is unaware.

ON BEHALF OF THE BOARD



M Gore

Trustee

Date: 7 September 2022

## **Independent Auditor's Report to members of Newground Together**

### **OPINION ON THE FINANCIAL STATEMENTS**

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 March 2022 and of the Group's incoming resources and application of resources and the Parent Charitable Company's incoming resources and application of resources 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.

We have audited the financial statements of Newground Together ("the Parent Charitable Company") and its subsidiary ("the Group") for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, Parent Charitable Company statement of financial activities, the consolidated statement of financial position, the Parent Charitable Company statement of financial position, the consolidated statement of cash flows and notes to the financial statements, including a summary of 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).

### **BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Company 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.

### **CONCLUSIONS RELATED TO GOING CONCERN**

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.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent Charitable Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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 Trustees are responsible for the 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 other information comprises the report of the Trustees. 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.

## **OTHER COMPANIES ACT 2006 REPORTING**

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' report, have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's 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 by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company 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.

## **RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines 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 Group's and the Parent Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the Parent 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**

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As a part of our audit in accordance with United Kingdom Generally Accepted Accounting Practice; and requirements of the Companies Act 2006 we exercise professional judgement and maintain professional scepticism throughout the audit. Based on our understanding and accumulated knowledge of the Group and Parent Charitable Company and the sector in which it operate we considered the risk of acts by the Group and Parent Charitable which were contrary to applicable laws and regulations, including fraud and whether such actions or non-compliance might have a material effect on the financial statements. These included but were not limited to those that relate to the form and content of the financial statements, such as the Group accounting policies, United Kingdom Generally Accepted Accounting Practice, the UK Companies Act 2006 and those that relate to the payment of employees. All team members were briefed to

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries, management bias in accounting estimates and improper revenue recognition. Our audit procedures included, but were not limited to:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Challenging assumptions and judgements made by management in their accounting estimates, in particular in relation to recoverability of receivable balances and the completeness of accruals;
- Substantive testing to confirm the existence of revenue;
- Identifying and testing journal entries, in particular any journal entries posted with specific keywords, manual journals to revenue and cash, and review of journals posted to least used accounts;
- Discussions with management; including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Review of minutes of Board meetings throughout the year;
- Obtained an understanding of how the Group and Parent Charitable Company is complying with those legal and regulatory frameworks by making enquiries to management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of board minutes and other evidence gathered during the course of the audit;
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and Parent Charitable Company's internal control; and
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **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.

DocuSigned by:

*Hamid Ghafoor*

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Hamid Ghafoor (Senior Statutory Auditor)  
For and on behalf of BDO LLP, statutory auditor  
Manchester, UK

**22 September 2022**

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

## Consolidated statement of financial activities (incorporating a consolidated income and expenditure account)

		Unrestricted general funds	Restricted funds	Total 2022	Total 2021
	Note	£	£	£	£
<b>Income</b>					
Donations and legacies	2	317,698	-	317,698	428,035
		317,698	-	317,698	428,035
<b>Other trading activities</b>					
Business services		-	2,583,344	2,583,344	2,161,604
Landscape services		-	359,590	359,590	7,477,178
Other income		-	75,944	75,944	178,084
Investments	2	214	186	400	732
		214	3,019,064	3,019,278	9,817,598
<b>Charitable Activities</b>					
Sustainable communities		-	2,131,056	2,131,056	949,736
<b>Total income</b>		317,912	5,150,120	5,468,032	11,195,369
<b>Expenditure</b>					
<b>Other trading activities</b>					
Other expenditure	4	-	(459,730)	(459,730)	(507,399)
Business services	4	-	(1,566,341)	(1,566,341)	(1,357,300)
Landscape services	4	-	(148,219)	(148,219)	(7,163,345)
Support costs	6	(25,172)	-	(25,172)	(124,045)
		(25,172)	(2,174,290)	(2,199,462)	(9,152,089)
<b>Charitable activities</b>					
Sustainable communities	4	-	(2,847,988)	(2,847,988)	(1,660,099)
Grants payable	5	16,119	-	16,119	(82,012)
		16,119	(2,847,988)	(2,831,869)	(1,742,111)
<b>Total expenditure</b>	4	(9,053)	(5,022,278)	(5,031,331)	(10,894,200)
<b>Net income for the year before tax</b>		308,859	127,842	436,701	301,169
Taxation	7	-	4,659	4,659	8,879
<b>Movement in funds for the year</b>		308,859	132,501	441,360	310,048
<b>Total funds brought forward at 1 April 2021</b>		2,113,213	87,463	2,200,676	1,890,628
<b>Total funds carried forward at 31 March 2022</b>	14	2,422,072	219,964	2,642,036	2,200,676

The statement of financial activities includes all gains and losses recognised in the year.  
The accompanying notes form part of these financial statements.



## Charitable company statement of financial activities (incorporating a charitable company income and expenditure account)

		Unrestricted general funds	Restricted funds	Total 2022	Total 2021
	Note	£	£	£	£
<b>Income</b>					
Donations and legacies	2	317,698	-	<b>317,698</b>	428,035
Investments	2	214	-	<b>214</b>	607
Sustainable communities		-	494,256	<b>494,256</b>	381,721
Other - gift aid receivable from subsidiary	3	788,098	-	<b>788,098</b>	767,937
<b>Total income</b>		<u>1,106,010</u>	<u>494,256</u>	<u><b>1,600,266</b></u>	<u>1,578,300</u>
<b>Expenditure</b>					
Expenditure on charitable activities		(261,491)	-	(261,491)	(423,673)
Sustainable communities		-	(1,152,074)	(1,152,074)	(670,698)
Other – support costs	6	(25,171)	-	(25,171)	(151,164)
<b>Total expenditure</b>	4	<u>(286,662)</u>	<u>(1,152,074)</u>	<u><b>(1,438,736)</b></u>	<u>(1,245,535)</u>
<b>Net incoming/(outgoing) resources for the year</b>		819,348	(657,818)	<b>161,530</b>	332,765
<b>Total funds brought forward at 1 April 2021</b>		1,470,222	(288,977)	<b>1,181,245</b>	848,480
<b>Total funds carried forward at 31 March 2022</b>	14	<u>2,289,570</u>	<u>(946,795)</u>	<u><b>1,342,775</b></u>	<u>1,181,245</u>

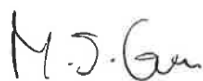
The statement of financial activities includes all gains and losses recognised in the year.  
The accompanying notes form part of these financial statements.

## Consolidated statement of financial position

		2022	2021
	Note	£	£
<b>Fixed assets</b>			
Tangible assets	9	196,925	288,794
<b>Current assets</b>			
Debtors	11	1,726,398	1,153,072
Cash at bank and in hand		3,469,921	3,151,752
		<u>5,196,319</u>	<u>4,304,824</u>
<b>Creditors: amounts falling due within one year</b>	12	<u>(2,724,250)</u>	<u>(2,361,325)</u>
<b>Net current assets</b>		<u>2,472,069</u>	<u>1,943,499</u>
<b>Total assets less current liabilities</b>		2,668,994	2,232,293
<b>Provisions</b>	13	(26,958)	(31,617)
<b>Net Assets</b>		<u>2,642,036</u>	<u>2,200,676</u>
<b>Income funds:</b>			
Restricted funds		219,964	87,463
Unrestricted funds:			
General charitable funds		2,422,072	2,113,213
<b>Funds</b>	14	<u>2,642,036</u>	<u>2,200,676</u>

The accompanying notes form part of these financial statements.

The financial statements were approved by the Board on 7 September 2022.



M Gore  
Director

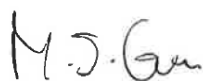
Company Registration Number: 02501885

## Charitable company statement of financial position

		2022	2021
	Note	£	£
<b>Fixed assets</b>			
Tangible assets	9	906	1,359
Investments	10	5	5
		<u>911</u>	<u>1,364</u>
<b>Current assets</b>			
Debtors	11	2,758	152,465
Cash at bank and in hand		<u>1,975,684</u>	<u>1,773,976</u>
		<u>1,978,442</u>	<u>1,926,441</u>
<b>Creditors: amounts falling due within one year</b>	12	<u>(636,578)</u>	<u>(746,560)</u>
<b>Net current assets</b>		<u>1,341,864</u>	<u>1,179,881</u>
<b>Total assets less current liabilities</b>		<u>1,342,775</u>	<u>1,181,245</u>
<b>Net assets</b>		<u>1,342,775</u>	<u>1,181,245</u>
<b>Income funds</b>			
Restricted funds		(657,818)	(288,977)
Unrestricted funds:			
General charitable funds		<u>2,000,593</u>	<u>1,470,222</u>
<b>Charity funds</b>	14	<u>1,342,775</u>	<u>1,181,245</u>

The accompanying notes form part of these financial statements.

The financial statements were approved by the Board on 7 September 2022.



M Gore  
Director

Company Registration Number: 02501885

## Consolidated statement of cash flows

	2022	2021
	£	£
<b>Cash flows from operating activities</b>		
Net income for the financial year	441,360	310,048
Adjustments for:		
Depreciation of tangible assets	90,783	82,165
Profit on sale of fixed assets (note 2)	-	(19,384)
Interest received	(400)	(732)
Corporation tax (credit)/charge	(4,659)	(8,879)
(Increase)/decrease in trade and other debtors	(573,326)	55,088
Increase in trade creditors and other creditors	364,011	637,499
Cash from operations	317,769	1,055,805
Taxation		-
<b>Net cash provided by operating activities</b>	317,769	1,055,805
<b>Cash flows from investing activities</b>		
Proceeds from sale of tangible assets	-	20,500
Purchases of tangible assets	-	(41,422)
<b>Net cash used in investing activities</b>	-	(20,922)
<b>Cash flows from financing activities</b>		
Interest received	400	732
<b>Net cash provided by financing activities</b>	400	732
<b>Net increase in cash and cash equivalents</b>	318,169	1,035,615
<b>Cash and cash equivalents at the beginning of year</b>	3,151,752	2,116,137
<b>Cash and cash equivalents at end of year</b>	3,469,921	3,151,752

The accompanying notes form part of these financial statements.

# Notes to the financial statements

## **1 Accounting policies**

### **Company information**

Newground Together is a charity (No: 702800) and a registered company limited by guarantee (No. 02501885) whose registered office is Bob Watts Building, 193 Bolton Road, Blackburn, BB2 3GE.

Newground CIC is subsidiary of Newground Together and is a Community Interest Company (CIC), a company registered in England and Wales (No: 2584952), which operates as a social enterprise, delivering programmes of work that improve the local environment and the lives of the people who live and work there. Any surpluses made from these programmes are transferred to the charity and reinvested in further programmes of improvement.

Newground Together will distribute those funds which will be awarded to community projects throughout the North of England which will help to regenerate local communities and tackle issues of deprivation in line with the company objects.

### **Basis of preparation**

These financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with:

- Statement of Recommended Practice: Accounting and Reporting by Charities (FRS 102 SORP);
- Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) issued September 2015;
- Charities Act 2011.

The charitable foundation constitutes a public benefit entity as defined by FRS 102.

### **Parent company disclosure exemptions**

In preparing the separate financial statements of the parent company, advantage has been taken of the disclosure exemption available in FRS 102 and no cash flow statement has been presented for the parent charitable company.

### **Going concern**

The Covid-19 pandemic continued to have an impact on Newground Together and its activities throughout the 2021/22 financial year. The pandemic affected the ability to meet people face to face and run group activities from community centres, although new projects and activities were developed to meet emerging needs. The senior management team regularly reviewed financial performance against the business plan and reforecast midway through the year.

The board of Trustees have approved the 2022/23 Business Plan and the organisation will continue to operate as a going concern with the board and senior management team continuing to review performance on a regular basis and taking steps to mitigate any emerging risks throughout the year.

# Notes to the financial statements

## **1. Accounting policies (continued)**

The Report of the Trustees includes the group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and its exposures to credit risk and liquidity risk.

After making enquiries, the Trustees have a reasonable expectation that the charitable company and the group have adequate resources to continue in operational existence for the foreseeable future.

Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

## **Basis of consolidation**

The group financial statements consolidate those of the charitable company and of its subsidiary undertaking. Intra-group transactions are eliminated on consolidation and all figures relate to external transactions only.

## **Income**

Voluntary income comprises all incoming resources from donations, gifts and core funding grants. It is recognised upon receipt.

## **Donations and gifts**

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Intangible income is valued and included in income to the extent that it represents goods or services which would otherwise be purchased. An equivalent amount is charged as expenditure. Voluntary help is not included as income.

Donations under Gift Aid together with the associated income tax recoveries are credited as income when the donations are received.

## **Grants receivable**

Revenue grants are credited as incoming resources when they are receivable provided conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred.

Grants for the purchase of fixed assets are credited to restricted incoming resources when receivable. Depreciation on the fixed assets purchased with such grants is charged against the restricted fund.

Grants and related income subject to pre-conditions for use have been deferred to be released to the statement of financial activities as the pre-conditions are satisfied.

## **Investment income**

Investment income, including associated income tax recoveries, is recognised when receivable.

# Notes to the financial statements

## 1. Accounting policies (continued)

### Charitable trading income

Charitable trading income represents amounts receivable for carrying out projects and programmes of work with non-grant aided funding.

### Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with use of resources. Central overhead costs are allocated to operational functions on the basis of their use of central support services.

Governance costs are the costs associated with the governance arrangements of the charity which relate to the general running of the charity as opposed to those costs associated with charitable activities. Included within this category are costs associated with the strategic as opposed to day to day management of the charity's activities.

Support costs, which include executive and development, finance, ICT, external audit, legal, marketing, general office and administration, are allocated across categories of charitable expenditure, governance costs and the costs of generating funds. The basis of the cost allocation has been explained in note 6 to the accounts.

Irrecoverable VAT is charged as a cost to the statement of financial activities.

### Grants payable

Grants payable are accounted for in full as liabilities of the charity when approved by the Trustees and the charity has created a valid expectation in other parties that the charity will discharge its obligations.

### Fund accounting

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity.

Designated funds are unrestricted funds which have been designated for specific purposes by the Trustees.

### Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

Depreciation is calculated to write down the cost of all tangible fixed assets by equal annual instalments over their expected useful economic lives. The rates generally applicable are;

Leasehold improvements	20% on cost
Motor vehicles	20% on cost
Project and office equipment	20% on cost

### Investments

Investments are included at cost, subject to any provision required for a permanent diminution in its value.

# Notes to the financial statements

## **1. Accounting policies (continued)**

### **Leased assets**

Rental costs payable under operating leases are charged to the income and expenditure account on a straight-line basis over the lease period.

### **Pension costs**

#### **Defined contribution scheme**

The pension costs charged in the year represent the amount of the contributions payable to the scheme in respect of the accounting period.

### **Long term contracts**

The attributable surplus on long-term contracts is recognised once their outcome can be assessed with reasonable certainty. The surplus recognised reflects the proportion of work completed to date on the project.

Full provision is made for deficits on all contracts in the year in which the deficit is first foreseen.

### **Gift Aid Policy**

Gift Aid payments are recognised once there is a commitment as to the amount payable. This is at the point payment is made. Such payments, and the associated tax relief, are presented as movements in equity.

### **Significant judgements and key areas of estimation uncertainty**

Directors consider there to be no items in the financial statements where they have had to make significant judgements in the process of applying the group's accounting policies or key sources of estimation uncertainty.

### **Net debt**

The activities of the group are funded through cash received from the operations of the group.



# Notes to the financial statements

## 2 Incoming resources

### Investment income

#### The Group

Investment income comprises income from:

	2022 £	2021 £
Bank deposits	<u>400</u>	<u>732</u>

#### The Charitable Company

Investment income comprises income from:

	2022 £	2021 £
Bank deposits	<u>214</u>	<u>607</u>

### Voluntary income

#### The Group and Charitable Company

Voluntary income comprises income from:

	2022 £	2021 £
Other donations	<u>317,698</u>	<u>428,035</u>
	<u><u>317,698</u></u>	<u><u>428,035</u></u>

Donation received from Together Housing Association to further social value work.

### Profit on sale of fixed assets

	2022 £	2021 £
Proceeds	-	20,500
Cost	<u>-</u>	<u>(1,116)</u>
<b>Profit</b>	<u><u>-</u></u>	<u><u>19,384</u></u>

## Notes to the financial statements

### 3 Operations of trading subsidiary

A summary of the results of the trading subsidiary is set out below. Turnover below includes intercompany amounts which are consolidated for the group position and resulting unrestricted funds.

	2022	2021
	£	£
Turnover	4,883,013	10,548,458
Cost of sales	(3,436,145)	(9,452,859)
Gross profit	1,446,868	1,095,599
Other operating income	75,944	148,018
Administration costs	(459,730)	(507,399)
Gift aid payable	(788,098)	(767,937)
Bank interest receivable	185	124
Taxable profits	275,169	(31,595)

A summary of the balance sheet of the trading subsidiary is set out below.

	2022	2021
	£	£
Fixed assets	196,021	287,437
Current assets	3,217,875	2,659,581
Creditors: amounts falling due within one year	(2,087,672)	(1,895,961)
Provisions	(26,958)	(31,617)
Total net assets	1,299,266	1,019,440
Share capital and reserves	1,299,266	1,019,440

### 4 Analysis of total resources expended

#### The Group

	Cost of generating funds	Charitable expenditure	Governance costs	Total 2022	Total 2021
	£	£	£	£	£
Sustainable Communities	-	2,847,988	-	2,847,988	1,660,099
Business Services	1,566,341	-	-	1,566,341	1,357,300
Landscape Services	148,219	-	-	148,219	7,163,345
Other	459,730	-	-	459,730	507,399
Management of the subsidiary (see note 6)	761	-	-	761	71,945
Governance costs (see note 6)	-	-	24,411	24,411	52,100
Grants payable (see note 5)	-	(16,119)	-	(16,119)	82,012
Total	2,175,051	2,831,869	24,411	5,031,331	10,894,200

# Notes to the financial statements

## 4 Analysis of total resources expended (continued)

### The Charitable Company

	Charitable Activities £	Generating funds £	Governance costs £	Total 2022 £	Total 2021 £
Grants made payable to subsidiary (see note 5)	277,608	1,152,074	-	<b>1,429,682</b>	1,012,358
Support costs (see note 6)	25,172	-	-	<b>25,172</b>	151,165
Funds returned	(23,100)	-	-	<b>(23,100)</b>	(5,000)
Grants payable	6,981	-	-	<b>6,981</b>	87,012
Total	<u>286,661</u>	<u>1,152,074</u>	<u>-</u>	<u><b>1,438,735</b></u>	<u>1,245,535</u>

### The Group

	2022 £	2021 £
Total resources expended include :		
Auditors remuneration:		
Fees payable to the group's auditor for the audit of the group's annual financial statements	<b>21,615</b>	18,000
Depreciation:		
Tangible fixed assets, owned	<b>90,783</b>	82,165
Other operating lease rentals	<b>45,174</b>	45,174

### The Charitable Company

	2022 £	2021 £
Total resources expended include:		
Auditors remuneration:		
Fees payable to the charitable company's auditor for the audit of the company's annual financial statements	<b>13,957</b>	<b>11,600</b>
Depreciation:		
Tangible fixed assets, owned	<b>453</b>	<b>631</b>

## Notes to the financial statements

### 5 Grants payable

#### The Group and Charitable Company

The following projects were funded by the Charity in 2021/2022 in furtherance of Charitable Objectives (these objectives are listed in full on page 6). The value shown is the total grant allocated to the project which is generally for a 12 month period and may therefore extend beyond March 2022:

Project Name	Grants to Institutions
	Total amount
	£
Newground CIC 2021/22	277,608
Community Grants	6,981
LESS funds returned from prior years	(23,100)
<b>Expenditure on charitable Activities - Unrestricted Reserves - the charitable company</b>	261,489
Payments made from NT to NGCIC	(277,608)
<b>Total for the charitable group</b>	(16,119)

# Notes to the financial statements

## 6 Support cost allocation

### The Group

	<b>Management of subsidiary £</b>	<b>Governance costs £</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Salaries and wages	1,012	-	<b>1,012</b>	87,914
External audit	-	21,615	<b>21,615</b>	18,000
Legal	-	-	-	450
General office and administration	2,545	-	<b>2,545</b>	17,681
	<u>3,557</u>	<u>21,615</u>	<u><b>25,172</b></u>	<u>124,045</u>

(see note 4 Management of the Subsidiary and Governance Costs).

### The Charitable Company

	<b>Management of subsidiary £</b>	<b>Governance costs £</b>	<b>Total 2022 £</b>	<b>Total 2022 £</b>
Salaries and wages	1,012	-	<b>1,012</b>	115,034
External audit	-	13,676	<b>13,676</b>	11,600
Legal	-	-	-	3,088
General office and administration	10,484	-	<b>10,484</b>	21,442
	<u>11,496</u>	<u>13,676</u>	<u><b>25,172</b></u>	<u>151,164</u>

(see note 4 Support Costs).

### Basis of support costs allocation

Central support costs are allocated as follows:

- Salaries and wages, estimated time spent on generating funds and governance
- External audit, calculated expenditure spent on governance
- Legal, calculated expenditure spent on governance
- General office and administration, estimated expenditure spent on generating funds and governance

# Notes to the financial statements

## 7 Taxation on net incoming resources

### Major components of tax (credit)/expense

	2022 £	2021 £
<i>Deferred tax</i>		
Origination and reversal of timing differences	(4,659)	(8,879)
UK current tax credit	(4,659)	(8,879)

### Reconciliation of Tax

	2022 £	2021 £
Group net income for year	436,701	301,169
Expenditure not subject to tax	626,567	435,172
Profit subject to tax	1,063,268	736,341
Profit on ordinary activities by rate of tax 19% (2021:19%)	202,021	139,905
Fixed asset differences	1,891	2,001
Expenses not deductible for tax	-	-
Amounts charged directly to equity of otherwise transferred	(216,087)	(151,016)
Adjustment in respect of prior periods – deferred tax	1,046	-
Other permanent differences	-	231
Remeasurement of deferred tax for changes in tax rates	6,470	-
Total tax credit	(4,659)	(8,879)

## 8 Staff costs

### The Group

	2022 £	2021 £
Wages and salaries	2,961,986	2,514,262
Social security costs	259,402	222,679
Other pension costs	248,590	201,710
Recharged wages	(335,319)	681,572
	3,134,659	3,620,223

## Notes to the financial statements

### 8 Staff costs (continued)

The average number of employees during the year was as follows:

	2022 No	2021 No
Direct charitable expenditure	113	86
Management and administration of charity	3	5
	<u>116</u>	<u>91</u>

During the year, total full-time equivalents for all staff amounted to 108 (2021: 84).

Total key management personnel emoluments totalled £253,236 (2021: £307,466) of which £nil (2021: £71,889) was recharged from fellow parent company. Key management personnel is defined as the senior management team.

The full-time equivalent staff (including Directors) who received emoluments including employer pension contributions (excluding employers national insurance contributions);

	2022 No	2021 No
£60,001 to £70,000	1	1
£70,001 to £80,000	1	1
£80,001 to £90,000	-	1
£90,001 to £100,000	1	-

The Group Director is the highest paid member of staff. His total emoluments including pension contributions equated to £90k (2021: £80k) made up as salary £82k (2021: £73k) and pension £8k (2021: £7k). He is an ordinary member of the pension scheme and no enhanced or special terms apply.

<b>The Charitable Company</b>	2022 £	2021 £
Wages and salaries	761	82,709
Social security costs	-	3,541
Other pension costs	-	1,517
	<u>761</u>	<u>87,767</u>

The average number of employees during the year was as follows:

	2022 No	2021 No
Management and administration of charity	-	1

During the year, total full-time equivalents for all staff amounted to nil (2021: One).

There were no employees receiving remuneration on a full-time equivalent basis (2021: One in the range of £70,000 - £80,000).

No trustee received remuneration in the year from the charity (2021: £Nil).

Expenses were reimbursed to the trustees during the year amounted to £53 (2021: £Nil).

Total key management personnel totalled £Nil (2021: £59,341).

## Notes to the financial statements

### 9 Tangible fixed assets

#### The Group

	Leasehold improvements £	Motor vehicles £	Project and office equipment £	Total £
<b>Cost</b>				
At 1 April 2021	26,627	8,755	574,149	609,531
Adjustment	-	-	(1,086)	(1,086)
At 31 March 2022	26,627	8,755	573,063	608,445
<b>Depreciation</b>				
At 1 April 2021	25,737	8,650	286,350	320,737
Charge for year	453	104	90,226	90,783
At 31 March 2022	26,190	8,754	376,576	411,520
<b>Net book value</b>				
At 31 March 2022	<u>437</u>	<u>1</u>	<u>196,487</u>	<u>196,925</u>
At 31 March 2021	<u>890</u>	<u>105</u>	<u>287,799</u>	<u>288,794</u>

#### The Charitable Company

	Office equipment £	Leasehold improvements £	Total £
<b>Cost</b>			
At 1 April 2021	1,244	26,627	27,871
Additions	-	-	-
At 31 March 2022	<u>1,244</u>	<u>26,627</u>	<u>27,871</u>
<b>Depreciation</b>			
At 1 April 2021	1,067	25,445	26,512
Charge in year	-	453	453
At 31 March 2022	<u>1,067</u>	<u>25,898</u>	<u>26,965</u>
<b>Net book value</b>			
At 31 March 2022	<u>177</u>	<u>729</u>	<u>906</u>
At 31 March 2021	<u>177</u>	<u>1,182</u>	<u>1,359</u>

All tangible fixed assets are used for charitable purposes.



# Notes to the financial statements

## 10 Investments

### The Charitable Company

	£
Cost at 1 April 2021 and 31 March 2022	<u>5</u>

At 31 March 2022 the company held 20% or more of the allotted share capital of the following:

	Class of share capital held	Proportion of nominal value held
Newground CIC	Ordinary	100%
The Compliance People (Previously ELUS Ltd)	Ordinary	100%
Groundwork Pennine Lancashire Ltd	Ordinary	100%
Flood Hub Ltd (Previously Sustainable Business Hub Ltd)	Ordinary	100%

Newground CIC holds 100% of the allotted share capital of Groundwork Limited and Groundwork Contract Services Limited. All of these subsidiaries are dormant. The registered office is the same as Newground Together.

## 11 Debtors

	The Group		The Charitable Company	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	940,210	654,999	-	-
Other debtors	-	87	-	-
Amounts owed by subsidiary undertaking	-	-	-	145,970
Amounts owed by fellow group undertakings	585,924	236,090	-	-
Prepayments	200,264	261,896	2,758	6,495
	<u>1,726,398</u>	<u>1,153,072</u>	<u>2,758</u>	<u>152,465</u>

Amounts due from group undertakings are due on demand and are not subject to interest.

## Notes to the financial statements

### 12 Creditors: amounts falling due within one year

	The Group 2022	2021	The Charitable Company 2022	2021
	£	£	£	£
Trade creditors	166,624	242,181	-	-
Other taxation and social security	206,528	-	-	-
Amounts owed to fellow group undertakings	426,743	188,532	426,743	281,196
Accruals and deferred income	1,924,354	1,930,612	209,834	465,364
	<u>2,724,249</u>	<u>2,361,325</u>	<u>636,577</u>	<u>746,560</u>

Accruals and deferred income include pension contributions paid after the year end amounting to £nil (2021: £nil) for the group. Amounts due to group undertakings are repayable on demand and are not subject to interest.

### 13 Provisions

#### The Group

	£
At 31 March 2021	31,617
Charged to profit and loss	(4,659)
At 31 March 2022	<u>26,958</u>

Deferred tax provisions relate to timing differences in the accounting and taxation for fixed assets.

### 14 Income funds

Income funds are analysed as follows:

#### The Group

	Balance 31 March 2021 £	Income £	Expenditure £	Balance 31 March 2022 £
<b>Restricted</b>				
Other restricted reserves	87,463	5,150,120	(5,017,619)	219,964
<b>Other unrestricted funds</b>	2,113,213	317,912	(9,053)	2,422,072
	<u>2,200,676</u>	<u>5,468,032</u>	<u>(5,026,672)</u>	<u>2,642,036</u>

# Notes to the financial statements

## 14 Income funds (continued)

### Restricted funds

Restricted funds represent grants received from funders that have not yet been spent on specific projects for which the funds were advanced.

Other unrestricted funds comprise funds generated by Newground CIC and general unrestricted charitable funds as follows:

	<b>Total</b>	<b>Restricted</b>	<b>General</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>	<b>charitable</b>	<b>generated</b>
			<b>funds</b>	<b>by</b>
			<b>£</b>	<b>Newground</b>
				<b>£</b>
Balance at 1 April 2021	2,200,676	87,463	1,181,244	931,969
Net movements in the year				
Amounts from restricted	441,360	132,501	161,530	147,329
Balance at 31 March 2022	<u>2,642,036</u>	<u>219,964</u>	<u>1,342,774</u>	<u>1,079,298</u>

### The Charitable Company

	<b>Balance</b>			<b>Balance</b>
	<b>31 March</b>	<b>Income</b>	<b>Expenditure</b>	<b>31 March</b>
	<b>2021</b>		<b>(incl. tax)</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Other unrestricted funds</b>	1,470,222	1,106,010	(286,662)	<b>2,289,570</b>
<b>Other restricted funds</b>	(288,977)	494,256	(1,152,074)	<b>(946,795)</b>
	<u>1,181,245</u>	<u>1,600,266</u>	<u>(1,438,736)</u>	<u><b>1,342,775</b></u>

## Notes to the financial statements

### 15 Analysis of net assets between funds

#### The Group

	Unrestricted funds £	Restricted funds £	Total funds £
Fixed assets	196,925	-	196,925
Current assets	4,976,355	219,964	5,196,319
Provisions	(26,958)	-	(26,958)
Current liabilities	(2,724,250)	-	(2,724,250)
Total net assets	<u>2,422,072</u>	<u>219,964</u>	<u>2,642,036</u>

#### The Charitable Company

	Unrestricted funds £	Restricted funds £	Total funds £
Fixed assets	906	-	906
Investments	5	-	5
Current assets	1,978,442	-	1,978,442
Current liabilities	21,240	(657,818)	(636,578)
Total net assets	<u>2,000,593</u>	<u>(657,818)</u>	<u>1,342,775</u>

### 16 Financial commitments

#### The Group

The future minimum operating lease payments are as follows:

	2022		2021	
	Land and buildings £	Other £	Land and buildings £	Other £
Operating leases which expire:				
within one year	58,674	-	45,174	1,382
within two to five years	174,500	-	56,500	-
	<u>233,174</u>	<u>-</u>	<u>101,674</u>	<u>1,382</u>

### 17 Retirement benefits

The group operates a defined contribution pension scheme for the benefit of the employees. The assets of the scheme are administered by the trustees in a fund independent from those of the group.

## Notes to the financial statements

### 18 Related party transactions

As a parent company of Newground CIC, the charitable company is exempt from the requirements of Financial Reporting Standard 102, to disclose transactions with Newground CIC.

#### Year ended 31 March 2022

Related party	Sales made by the group £	Purchases made by the group £	Owed to the group £	Owed by the group £
Together Housing Association	978,305	-	-	159,180

Together Housing Association is a fellow subsidiary of Together Housing Group, Together Housing Group is the ultimate controlling party of Newground Together.

## Notes to the financial statements

### 19 Restricted and unrestricted funds

Restricted and unrestricted funds for the group and charity for prior year are detailed below:

	Unrestricted general funds	Restricted funds	Total 2021
	£	£	£
<b>Income</b>			
Donations and legacies	428,035	-	428,035
<b>Other trading activities</b>			
Business services	-	2,161,604	2,161,604
Landscape services	-	7,477,178	7,477,178
Other income	-	178,084	178,084
Investments	607	125	732
	607	9,816,991	9,817,598
<b>Charitable Activities</b>			
Sustainable communities	-	949,736	949,736
<b>Total income</b>	428,642	10,766,727	11,195,369
<b>Expenditure</b>			
<b>Other trading activities</b>			
Other expenditure	-	(507,399)	(507,399)
Business services	-	(1,357,300)	(1,357,300)
Landscape services	-	(7,163,345)	(7,163,345)
Support costs	(124,045)	-	(124,045)
	(124,045)	(9,028,044)	(9,152,089)
<b>Charitable activities</b>			
Sustainable communities	-	(1,660,099)	(1,660,099)
Grants payable	(82,012)	-	(82,012)
	(82,012)	(1,660,099)	(1,742,111)
<b>Total expenditure</b>	(206,057)	(10,688,143)	(10,894,200)
<b>Net (expenditure) for the year before tax</b>	222,585	78,584	301,169
Transfer between funds	-	-	-
Taxation	-	8,879	8,879
<b>Movement in funds for the year</b>	222,585	87,463	310,048
<b>Total funds brought forward at 1 April 2020</b>	1,890,628	-	1,890,628
<b>Total funds carried forward at 31 March 2021</b>	2,113,213	87,463	2,200,676

## Notes to the financial statements

	<b>Unrestricted general funds</b>	<b>Restricted funds</b>	<b>Total 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income</b>			
Donations and legacies	428,035	-	<b>428,035</b>
Investments	607	-	<b>607</b>
Sustainable Communities	-	381,721	<b>381,721</b>
Other - gift aid receivable from subsidiary	767,937	-	<b>767,937</b>
<b>Total income</b>	<b>1,196,579</b>	<b>381,721</b>	<b>1,578,300</b>
<b>Expenditure</b>			
Expenditure on charitable activities	(423,673)	-	(423,673)
Sustainable Communities	-	(670,698)	(670,698)
Other – support costs	(151,164)	-	(151,164)
<b>Total expenditure</b>	<b>(574,837)</b>	<b>(670,698)</b>	<b>(1,245,535)</b>
<b>Net (outgoing) resources for the year</b>	<b>621,742</b>	<b>(288,977)</b>	<b>332,765</b>
<b>Total funds brought forward at 1 April 2020</b>	<b>848,480</b>	<b>-</b>	<b>848,480</b>
<b>Total funds carried forward at 31 March 2021</b>	<b>1,470,222</b>	<b>(288,977)</b>	<b>1,181,245</b>