

Financial Statements

Newground Together

For the year ended 31 March 2023

Company No 02501885

Charity number 702800

Index to financial statements

Company information	3
Report of the trustees	4
Independent auditor's report	12
Consolidated statement of financial activities (incorporating consolidated income and expenditure account)	17
Charitable company statement of financial activities (incorporating charitable company income and expenditure account)	18
Consolidated statement of financial position	19
Charitable company statement of financial position	20
Consolidated statement of cash flows	21
Notes to the financial statements	22

Company information

Company registration number 02501885

Registered charity number 702800

Registered office 193 Bolton Road
Blackburn
BB2 3GE

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.

Lesley Burrows (appointed 22 June 2022)
Alan Cotton (resigned 22 June 2022)
Colin Davies (appointed 22 June 2022)
Jane Fowler (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)

Bankers

Barclays Bank PLC
3 Hardman Street
Spinningfields
Manchester
M3 3AX

Solicitors

Wrigleys LLP
19 Cookridge Street
Leeds
LS2 3AG

Auditor

BDO LLP
3 Hardman Square
Spinningfields
Manchester
M3 3AT

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 2023.

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 Together 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 31st March 2023 the Charity had one vacant Trustee position. 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.

Report of the Trustees (continued)

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.

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.

Report of the Trustees (continued)

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, with all projects contributing to the Charity's objects.

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 2022/23 are detailed in the achievements and performance section.

Strategic Report

Achievements and performance

The main strategic goals of Newground Together in 2022/23 were to:

- Ensure that funds were allocated appropriately during the year
- 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
- Promote the activities of Newground Together.

In the 12 months to 31 March 2023 Newground Together has allocated funding to a value of £1,879,971.

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.

During 2022/23 the cost of living crisis affected many people, particularly those on the lowest incomes, who faced a drop in their living standards and increased hardship as a result of rapid increases in energy and other costs. Throughout the year we incorporated into our projects a range of activities to support people to meet the challenges of the cost of living crisis, building on our already strong foundation and track record of providing support to the most vulnerable members of our communities. Our support reached 3,132 families and we distributed £383,853 in fuel vouchers to help families heat their homes during the winter months.

Newground Together's employment advisors and mentors, working with local partners, were able to collaborate and maximise the support services we offer, including helping with food and everyday household items alongside the provision of support towards employment.

Report of the Trustees (continued)

Our community-based learning team work alongside our employment teams. Our tutors work closely with individuals to offer a blend of vocational learning, alongside real-life work experience. This support effortlessly complements the work of our employment teams who link learners with opportunities with local employers, based on the new skills and qualifications they gain.

Our activities in 2022/23 supported 1,548 people with employment advice and training, with 600 training outcomes achieved, resulting in 517 people securing employment.

The Greener Together project in Calderdale is leading the way in helping local residents understand climate change and its long term effects, delivering a combination of energy efficiency improvements, awareness training, and green skills development. The project was funded by West Yorkshire Combined Authority's Gainshare Fund to a value of £142k during the year. The project will be completed in 2023/24.

The Greener Together Pendle Project engages residents in positive activities within their communities, encouraging the use of open spaces as a focal point for providing opportunities for social interaction, increasing physical activity levels and positive mental health and emotional wellbeing. The project is funded through Pendle Council, by the Department for Levelling Up, Housing and Communities through the UK Shared Prosperity Fund.

Our Great Outdoors Team and volunteers celebrated 25 years at our community garden project - Offshoots, a central place for volunteering and community sessions. Volunteering opportunities connect those in our community who may need support and are an invaluable resource within the communities we operate. We continued to support our organised walking groups in East Lancashire, helping walkers engage with the natural environment, exercise and connect with each other. During the year we provided 7,480 hours of volunteer support.

Newground Together's Youth Team worked in local communities, engaging with 1,074 young people through 11,932 activity attendances 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.

Our community grants programme supported 30 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. Many of these projects have reached out to help residents facing the cost-of-living crisis, for example supporting low-cost community-based activities and events using sport, the arts and outdoor activities to engage vulnerable groups. Projects have helped people stay connected, keep fit and remain engaged in their own communities, providing support with nutrition, budgeting, mental health and food growing. Other projects have provided a safe and warm space to meet up and learn something new.

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 for 2023/24 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

Report of the Trustees (continued)

The key objectives for 2023/24 are to:

- Ensure that appropriate governance is maintained
- 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.

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 assessment of the significant risks faced by the Charity is considered in various sections of this 'Trustees' report. The results of this analysis, combined with regular review of forecast trading patterns, costs and expenditures has led to the Trustee's judgement that the Charity has a financially robust long term Business Plan, including potential mitigations which indicate sufficient resilience to respond to different stress testing scenarios.

The Trustees have fully appraised the changing business environment facing the Charity, it has considered the financial projections set out in the long term Business Plan, assessed the strategic risks faced and the means available to it to mitigate these risks. The Trustee's believe that due to a combination of these potential mitigating actions, and the continued support of its ultimate Parent Company, that the Charity has sufficient cash resources to meet its obligations as they fall due and has a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Report of the Trustees (continued)

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 £70,436 (2022: income of £441,360). This resulted in accumulated fund balances of £2,712,472 (2022: £2,642,036).

For the charitable company, the statement of financial activities, shows net incoming resources of £356,751 (2022: incoming resources £161,530) for the financial year. This resulted in accumulated fund balances of £1,699,526 (2022: £1,342,775).

The operating divisions delivered projects during 2022/23;

Business Services had a turnover of £2,322,380 (2022: £2,218,921). Under the brand of The Compliance People Newground delivered environmental, health & safety business support through subscription services, training and consultancy. Our Flood Team have been actively involved in delivering flood support programmes in the north west of England on behalf of the Environment Agency and local authorities under the brand of The Flood Hub.

We continued to undertake the accountable body role for the **Blackburn Town Centre Business Improvement District** which had a turnover of £298,616 (2022: £364,423).

Community Programmes had a turnover of £1,968,319 (2022: £2,131,056). The Community Programmes 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 £43,322 (2022: £359,590) due to an internal restructure of its services. The Landscape Services Division's activity consisted of the completion of a number of legacy landscape design projects.

The ratio of current assets to current liabilities on the consolidated balance sheet is 2:1 (2022: 1.9:1) while the ratio of cash only to current liabilities is 1.3:1 (2022: 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 for the year of £50,810 (2022: £436,701) and the charitable company had net incoming resources of £356,751 (2022: £161,350). This resulted in unrestricted fund balances for the Group of £2,712,472 (2022: £2,642,036), with restricted for the group being a position of £nil (2022: £nil) and unrestricted balances for the company of £1,699,526 (2022: £1,342,775) and restricted with a position of £nil (2022: loss of £nil) for the charitable company.

Report of the Trustees (continued)

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.

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.

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.

Report of the Trustees (continued)

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 S Gore

Trustee

Date: 7 September 2023

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 2023 and of the Group's/its 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 subsidiaries ("the Group") for the year ended 31 March 2023 which comprise the consolidated and charitable company statement of financial activities, the consolidated and 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.

Independence

We remain independent of the Group and the Parent Charitable 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.

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.

Independent Auditor's Report to members of Newground Together

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.

Independent Auditor's Report to members of Newground Together

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:

Non-compliance with laws and regulations

Based on:

- our understanding of the Group and the industry in which it operates;
- discussion with management and those charged with governance; and
- obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be the applicable accounting framework and UK tax legislation.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation and data protection.

Our procedures in respect of the above included:

- review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;
- review of financial statement disclosures and agreeing to supporting documentation;
- involvement of tax specialists in the audit; and
- review of legal expenditure accounts to understand the nature of expenditure incurred.

Independent Auditor's Report to members of Newground Together

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- obtaining an understanding of the Group's policies and procedures relating to:
 - detecting and responding to the risks of fraud; and
 - internal controls established to mitigate risks related to fraud.
- review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override and revenue recognition.

Our procedures in respect of the above included:

- testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- assessing significant estimates made by management for bias; and
- confirmation of revenue recognition through to supporting documentation.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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.

Independent Auditor's Report to members of Newground Together

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:

C7998D5EC4924F4...

Elizabeth Kulczycki (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Manchester, UK
17 October 2023

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 2023	Total 2022 Restated* & **
	Note	£	£	£	£
Income					
Donations and legacies	3	463,552	-	463,552	317,698
		463,552	-	463,552	317,698
Other trading activities					
Business services*		2,322,380	-	2,322,380	2,218,921
Town Centre BID*		298,616	-	298,616	364,423
Landscape services		43,322	-	43,322	359,590
Other income		5,237	-	5,237	75,944
Investments	3	17,503	-	17,503	400
		2,687,058	-	2,687,058	3,019,278
Charitable Activities					
Community programmes		1,727,527	755,091	2,482,618	2,131,056
Total income		<u>4,878,137</u>	<u>755,091</u>	<u>5,633,228</u>	<u>5,468,032</u>
Expenditure					
Other trading activities					
Other expenditure	5	(410,359)	-	(410,359)	(459,730)
Business services*	5	(1,433,152)	-	(1,433,152)	(1,213,491)
Town Centre BID*	5	(288,079)	-	(288,079)	(352,850)
Landscape services	5	(37,223)	-	(37,223)	(148,219)
Support costs	7	(27,165)	-	(27,165)	(25,172)
		(2,195,978)	-	(2,195,978)	(2,199,462)
Charitable activities					
Community programmes	5	(2,562,131)	(755,091)	(3,317,222)	(2,847,988)
Grants payable	6	(69,218)	-	(69,218)	16,119
		(2,631,349)	(755,091)	(3,386,440)	(2,831,869)
Total expenditure	5	<u>(4,827,327)</u>	<u>(755,091)</u>	<u>(5,582,418)</u>	<u>(5,031,331)</u>
Net income for the year before tax		50,810	-	50,810	436,701
Disposal of assets		2,168	-	2,168	-
Taxation	8	17,458	-	17,458	4,659
Movement in funds for the year		70,436	-	70,436	441,360
Total funds brought forward **		<u>2,642,036</u>	<u>-</u>	<u>2,642,036</u>	<u>2,200,676</u>
Total funds carried forward	15	<u>2,712,472</u>	<u>-</u>	<u>2,712,472</u>	<u>2,642,036</u>

* The 2021/22 statements have been restated to split out the Town Centre BID from within Business Services division to match operational management – nil net impact on previously reported figures.

** The 2021/22 statements have been restated to correct the brought forward position on restricted reserves – see note 2.

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 2023	Total 2022 Restated*
	Note	£	£	£	£
Income					
Donations and legacies	3	463,553	-	463,553	317,698
Investments	3	14,440	-	14,440	214
Community programmes		-	755,091	755,091	494,256
Other - gift aid receivable from subsidiary	4	1,136,612	-	1,136,612	788,098
Total income		<u>1,614,605</u>	<u>755,091</u>	<u>2,369,696</u>	<u>1,600,266</u>
Expenditure					
Expenditure on charitable activities		(1,124,880)	-	(1,124,880)	(261,491)
Community programmes		-	(755,091)	(755,091)	(1,152,074)
Other – support costs	7	(132,974)	-	(132,974)	(25,171)
Total expenditure	5	<u>(1,257,854)</u>	<u>(755,091)</u>	<u>(2,012,945)</u>	<u>(1,438,736)</u>
Net incoming/(outgoing) resources for the year		356,751	-	356,751	161,530
Movement in funds for the year		356,751	-	356,751	161,530
Total funds brought forward *		1,342,775	-	1,342,775	1,181,245
Total funds carried forward	15	<u>1,699,526</u>	<u>-</u>	<u>1,699,526</u>	<u>1,342,775</u>

* The 2021/22 statements have been restated to correct the brought forward position on restricted reserves – see note 2.

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

	Note	2023 £	2022 Restated * £
Fixed assets			
Tangible assets	10	162,516	196,925
Current assets			
Debtors	12	1,724,051	1,726,398
Cash at bank and in hand		3,378,203	3,469,921
		<u>5,102,254</u>	<u>5,196,319</u>
Creditors: amounts falling due within one year	13	<u>(2,542,798)</u>	<u>(2,724,250)</u>
Net current assets		<u>2,559,456</u>	<u>2,472,069</u>
Total assets less current liabilities		2,721,972	2,668,994
Provisions	14	(9,500)	(26,958)
Net Assets		<u>2,712,472</u>	<u>2,642,036</u>
Income funds:			
Restricted funds *		-	-
Unrestricted funds:			
General charitable funds *		<u>2,712,472</u>	<u>2,642,036</u>
Funds	15	<u>2,712,472</u>	<u>2,642,036</u>

* The 2021/22 statements have been restated to correct the brought forward position on restricted reserves – see note 2.

The accompanying notes form part of these financial statements.

The financial statements were approved by the Board on 7 September 2023.



M S Gore
Director

Company Registration Number: 02501885

Charitable company statement of financial position

		2023	2022
	Note	£	Restated * £
Fixed assets			
Tangible assets	10	453	906
Investments	11	5	5
		<u>458</u>	<u>911</u>
Current assets			
Debtors	12	20,561	2,758
Cash at bank and in hand		2,231,264	1,975,684
		<u>2,251,825</u>	<u>1,978,442</u>
Creditors: amounts falling due within one year	13	<u>(552,757)</u>	<u>(636,578)</u>
Net current assets		<u>1,699,068</u>	<u>1,341,864</u>
Total assets less current liabilities		<u>1,699,526</u>	<u>1,342,775</u>
Net assets		<u>1,699,526</u>	<u>1,342,775</u>
Income funds			
Restricted funds *		-	-
Unrestricted funds:			
General charitable funds *		<u>1,699,526</u>	<u>1,342,775</u>
Charity funds	15	<u>1,699,526</u>	<u>1,342,775</u>

* The 2021/22 statements have been restated to correct the brought forward position on restricted reserves – see note 2.

The accompanying notes form part of these financial statements.

The financial statements were approved by the Board on 7 September 2023.



M S Gore
Director

Company Registration Number: 02501885

Consolidated statement of cash flows

	2023	2022
	£	£
Cash flows from operating activities		
Net income for the financial year	70,436	441,360
Adjustments for:		
Depreciation of tangible assets	88,754	90,783
Profit on sale of fixed assets (note 3)	(1,169)	-
Interest received	(17,503)	(400)
Corporation tax (credit)	(17,458)	(4,659)
Decrease/(increase) in trade and other debtors	2,347	(573,326)
(Decrease)/increase in trade creditors and other creditors	(236,278)	364,011
Cash flows (used in)/from operations	(110,871)	317,769
Net cash (used in)/provided by operating activities	(110,871)	317,769
Cash flows from investing activities		
Proceeds from sale of tangible assets	1,650	-
Net cash used in investing activities	1,650	-
Cash flows from financing activities		
Interest received	17,503	400
Net cash provided by financing activities	17,503	400
Net (decrease)/increase in cash and cash equivalents	(91,718)	318,169
Cash and cash equivalents at the beginning of year	3,469,921	3,151,752
Cash and cash equivalents at end of year	3,378,203	3,469,921

The accompanying notes form part of these financial statements.

Notes to the financial statements (continued)

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; and
- 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 assessment of the significant risks faced by the Charity is considered in various sections of this Trustees' report. The results of this analysis, combined with regular review of forecast trading patterns, costs and expenditures has led to the Trustee's judgement that the Charity has a financially robust long term Business Plan, including potential mitigations which indicate sufficient resilience to respond to different stress testing scenarios.

The Trustees have fully appraised the changing business environment facing the Charity, it has considered the financial projections set out in the long term Business Plan, assessed the strategic risks faced and the means available to it to mitigate these risks. The Trustee's believe that due to a combination of these potential mitigating actions, and the continued support of its ultimate Parent Company, that the Charity has sufficient cash resources to meet its obligations as they fall due and has a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Notes to the financial statements (continued)

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 (continued)

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 7 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 (continued)

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.

2 Prior year adjustment

The prior years' figures (including opening April 2021 reserves balances) have been adjusted as a result of the following identified errors:

- allocation between restricted and unrestricted income on both the consolidated and company statement of financial activities was incorrect. This was due to an error in the fund allocation basis;
- allocation between restricted and unrestricted expenditure on both the consolidated and company statement of financial activities was incorrect. This was due to an error in the fund allocation basis; and
- split of restricted and unrestricted funds on the charitable company statement of financial position did not match the allocation of funds on the charitable company statement of financial activities. This was due to an error in the split presented on the statement of financial position.

The errors identified impacted only on the split of restricted and unrestricted funds, and not on the total reported funds position. In addition, the treatment of Newground CIC's activities has been reclassified as unrestricted activities and note 21 has been updated to reflect this.

Notes to the financial statements (continued)

2 Prior year adjustment (continued)

The following extracts show the amendments done to correct the position.

The Group

Consolidated Statement of Financial Activities – Extract

	Unrestricted general funds	Original Restricted funds	Total 2022	Unrestricted general funds	Restated Restricted funds	Total 2022
	£	£	£	£	£	£
Income						
Donations and legacies	317,698	-	317,698	317,698	-	317,698
	317,698	-	317,698	317,698	-	317,698
Other trading activities						
Business services	-	2,218,921	2,218,921	2,218,921	-	2,218,921
Town Centre BID	-	364,423	364,423	364,423	-	364,423
Landscape services	-	359,590	359,590	359,590	-	359,590
Other income	-	75,944	74,944	75,944	-	74,944
Investments	214	186	400	400	-	400
	214	3,019,064	3,019,278	3,019,2378	-	3,019,278
Charitable activities						
Sustainable communities	-	2,131,056	2,131,056	1,636,800	494,256	2,131,056
Total income	317,912	5,150,120	5,468,032	4,973,776	494,256	5,468,032
Expenditure						
Other trading activities						
Other expenditure	-	(459,730)	(459,730)	(459,730)	-	(459,730)
Business services	-	(1,566,341)	(1,566,341)	(1,566,341)	-	(1,566,341)
Landscape services	-	(148,219)	(148,219)	(148,219)	-	(148,219)
Support costs	(25,172)	-	(25,172)	(25,172)	-	(25,172)
	(25,172)	(2,174,290)	(2,199,462)	(2,199,462)	-	(2,199,462)
Charitable activities						
Sustainable communities	-	(2,847,988)	(2,847,988)	(2,353,732)	(494,256)	(2,847,988)
Grants payable	16,119	-	16,119	16,119	-	16,119
	16,119	(2,847,988)	(2,831,869)	(2,337,613)	(494,256)	(2,831,869)
Total expenditure	(9,053)	(5,022,278)	(5,031,331)	(4,537,075)	(494,256)	(5,031,331)
Net income for the year before tax	308,859	127,842	436,701	436,701	-	436,701
Taxation	-	4,659	4,659	4,659	-	4,659
Movement in funds for the year	308,859	132,501	441,360	441,360	-	441,360
Total funds brought forward at 1 April 2021	2,113,213	87,463	2,200,676	2,200,676	-	2,200,676
Total funds carried forward at 31 March 2022	2,422,072	219,964	2,642,036	2,642,036	-	2,642,036

Notes to the financial statements (continued)

2 Prior year adjustment (continued)

The Charitable Company

Statement of Financial Activities – Extract

	Unrestricted general funds £	Original Restricted funds £	Total 2022 £	Unrestricted general funds £	Restated Restricted funds £	Total 2022 £
Income						
Donations and legacies	317,698	-	317,698	317,698	-	317,698
Investments	214	-	214	214	-	214
Sustainable communities	-	494,256	494,256	-	494,256	494,256
Other – gift aid from subsidiary	788,098	-	788,098	788,098	-	788,098
Total income	1,106,010	494,256	1,600,266	1,106,010	494,256	1,600,266
Expenditure						
Expenditure on charitable activities	(261,491)	-	(261,491)	(261,491)	-	(261,491)
Sustainable communities	-	(1,152,074)	(1,152,074)	(657,818)	(494,256)	(1,152,074)
Other – support costs	(25,171)	-	(25,171)	(25,171)	-	(25,171)
Total expenditure	(286,662)	(1,152,074)	(1,438,736)	(944,480)	(494,256)	(1,438,736)
Net incoming/(outgoing) resources for the year	819,348	(657,818)	161,530	161,530	-	161,530
Movement in funds for the year	819,348	(657,818)	161,530	161,530	-	161,530
Total funds brought forward at 1 April 2021	1,470,222	(288,977)	1,181,245	1,181,245	-	1,181,245
Total funds carried forward at 31 March 2022	2,289,570	(946,795)	1,342,775	1,342,775	-	1,342,775

The Group

Consolidated Statement of Financial Position – Extract

	Original 2022 £	Adjustment 2022 £	Restated 2022 £
Income Funds			
Restricted funds	219,964	(219,964)	-
Unrestricted funds:			
General charitable funds	2,422,072	219,964	2,642,036
Charity funds	2,642,036	-	2,642,036

Notes to the financial statements (continued)

2 Prior year adjustment (continued)

The Charitable Company Statement of Financial Position – Extract

	Original 2022 £	Adjustment 2022 £	Restated 2022 £
Income Funds			
Restricted funds	(946,795)	946,795	-
Unrestricted funds:			
General charitable funds	2,289,570	(946,795)	1,342,775
Charity funds	1,342,775	-	1,342,775

The following notes to the accounts have also been updated to reflect the above changes:

Note 15 Income funds – Group and Charitable company sections updated to reflect the amended brought forward balance on reserves.

Note 21 Restricted and unrestricted funds – the Group analysis of transactions split between restricted and unrestricted funds has been updated to reflect Newground CIC activities as unrestricted, and to reflect the amended brought forward balance on reserves.

3 Incoming resources

Investment income

The Group

Investment income comprises income from:

	2023 £	2022 £
Bank deposits	17,503	400

The Charitable Company

Investment income comprises income from:

	2023 £	2022 £
Bank deposits	14,440	214

Notes to the financial statements (continued)

3 Incoming resources (continued)

Voluntary income

The Group and Charitable Company

Voluntary income comprises income from:

	2023 £	2022 £
Other donations	463,552	317,698
	<u>463,552</u>	<u>317,698</u>

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

Profit on sale of fixed assets

	2023 £	2022 £
Proceeds	1,650	-
Cost	(1,169)	-
Profit	<u>481</u>	<u>-</u>

4 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.

	2023 £	2022 £
Turnover	4,632,637	4,883,013
Cost of sales	(3,505,717)	(3,366,588)
Gross profit	<u>1,126,920</u>	<u>1,516,425</u>
Other operating income	111,046	6,387
Administration costs	(410,359)	(459,730)
Gift aid payable	(1,136,612)	(788,098)
Bank interest receivable	3,063	185
Disposal of assets	2,168	-
Taxable (loss)/profit before tax	<u>(303,774)</u>	<u>275,169</u>

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

	2023 £	2022 £
Fixed assets	162,065	196,021
Current assets	2,850,428	3,217,877
Creditors: amounts falling due within one year	(1,990,041)	(2,087,672)
Provisions	(9,500)	(26,958)
Total net assets	<u>1,012,952</u>	<u>1,299,268</u>
Share capital and reserves	<u>1,012,952</u>	<u>1,299,268</u>

Notes to the financial statements (continued)

5 Analysis of total resources expended

The Group

	Cost of generating funds	Charitable expenditure	Governance costs	Total 2023	Total 2022 Restated*
	£	£	£	£	£
Community programmes	-	3,317,222	-	3,317,222	2,847,988
Business Services*	1,433,152	-	-	1,433,152	1,213,491
Town Centre BID*	288,079	-	-	288,079	352,850
Landscape Services	37,223	-	-	37,223	148,219
Other	410,359	-	-	410,359	459,730
Management of the subsidiary (see note 7)	-	-	-	-	761
Governance costs (see note 7)	-	-	27,165	27,165	24,411
Grants payable (see note 6)	-	69,218	-	69,218	(16,119)
Total	2,168,813	3,386,440	27,165	5,582,418	5,031,331

* The 2021/22 statements have been restated to split out the Town Centre BID from within Business Services division to match operational management – nil net impact on previously reported figures.

The Charitable Company

	Charitable Activities	Generating funds	Governance costs	Total 2023	Total 2022
	£	£	£	£	£
Grants made payable to subsidiary (see note 6)	240,793	1,569,959	-	1,810,752	1,429,682
Support costs (see note 7)	132,974	-	-	132,974	25,172
Funds returned	(15,625)	-	-	(15,625)	(23,100)
Grants payable	84,844	-	-	84,844	6,981
Total	442,986	1,569,959	-	2,012,945	1,438,735

The Group

	2023 £	2022 £
Total resources expended include :		
Auditors remuneration:		
Fees payable to the group's auditor for the audit of the group's annual financial statements	30,806	22,640
Depreciation:		
Tangible fixed assets, owned	88,754	90,783
Other operating lease rentals	53,174	58,674

Notes to the financial statements (continued)

5 Analysis of total resources expended (continued)

The Charitable Company

	2023 £	2022 £
Total resources expended include:		
Auditors remuneration:		
Fees payable to the charitable company's auditor for the audit of the company's annual financial statements	19,892	14,619
Depreciation:		
Tangible fixed assets, owned	453	453

6 Grants payable

The Group and Charitable Company

The following projects were funded by the Charity in 2022/2023 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 2023:

Project Name	Grants to Institutions
	Total amount
	£
Newground CIC 2022/23	240,793
Employment Commissions	60,000
Community Grants	24,844
LESS funds returned from prior years	(15,625)
Expenditure on charitable Activities - Unrestricted Reserves - the charitable company	310,012
Payments made from NT to NGCIC	(240,793)
Total for the charitable group	69,219

Notes to the financial statements (continued)

7 Support cost allocation

The Group

	Management of subsidiary £	Governance costs £	Total 2023 £	Total 2022 £
Salaries and wages	-	-	-	1,012
External audit	-	20,554	20,554	21,615
Legal	-	2,146	2,146	-
General office and administration	4,465	-	4,465	2,545
	<u>4,465</u>	<u>22,700</u>	<u>27,165</u>	<u>25,172</u>

(see note 5 Management of the Subsidiary and Governance Costs).

The Charitable Company

	Management of subsidiary £	Governance costs £	Total 2023 £	Total 2022 £
Salaries and wages	105,809	-	105,809	1,012
External audit	-	19,892	19,892	13,676
Legal	-	662	662	-
General office and administration	6,611	-	6,611	10,484
	<u>112,420</u>	<u>20,554</u>	<u>132,974</u>	<u>25,172</u>

(see note 5 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 (continued)

8 Taxation on net incoming resources

Major components of tax credit

	2023 £	2022 £
<i>Deferred tax</i>		
Origination and reversal of timing differences	(17,458)	(4,659)
UK current tax credit	<u>(17,458)</u>	<u>(4,659)</u>

Reconciliation of Tax

	2023 £	2022 £
Group net income for year	50,810	436,701
Expenditure not subject to tax	782,028	626,567
Profit subject to tax	<u>832,838</u>	<u>1,063,268</u>
Profit on ordinary activities by rate of tax 19% (2022:19%)	158,239	202,021
Fixed asset differences	104	1,891
Amounts charged directly to equity of otherwise transferred	(172,023)	(216,087)
Adjustment in respect of prior periods – deferred tax	(3,778)	1,046
Remeasurement of deferred tax for changes in tax rates	-	6,470
Total tax credit	<u>(17,458)</u>	<u>(4,659)</u>

9 Staff costs

The Group

	2023 £	2022 £
Wages and salaries	3,349,690	2,961,986
Social security costs	312,385	259,402
Other pension costs	278,233	248,590
Recharged wages	<u>(235,161)</u>	<u>(335,319)</u>
	<u>3,705,147</u>	<u>3,134,659</u>

Notes to the financial statements (continued)

9 Staff costs (continued)

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

	2023 No	2022 No
Direct charitable expenditure	119	113
Management and administration of charity	3	3
	<u>122</u>	<u>116</u>

During the year, total full-time equivalents for all staff amounted to 112 (2022: 108).

Total key management personnel emoluments totalled £290,168 (2022: £253,236) of which £nil (2022: £nil) 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);

	2023 No	2022 No
£60,001 to £70,000	-	1
£70,001 to £80,000	1	1
£80,001 to £90,000	1	-
£90,001 to £100,000	-	1
£100,001 to £110,000	1	-

The Group Director is the highest paid member of staff. His total emoluments including pension contributions equated to £102k (2022: £90k) made up as salary £93k (2022: £82k) and pension £9k (2022: £8k). He is an ordinary member of the pension scheme and no enhanced or special terms apply.

The Charitable Company

	2023 £	2022 £
Wages and salaries	-	761
Social security costs	-	-
Other pension costs	-	-
	<u>-</u>	<u>761</u>

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

	2023 No	2022 No
Management and administration of charity	<u>-</u>	<u>-</u>

During the year, total full-time equivalents for all staff amounted to nil (2022: nil).

There were no employees receiving remuneration on a full-time equivalent basis (2022: nil).

No trustee received remuneration in the year from the charity (2022: £nil).

Expenses were reimbursed to the trustees during the year amounted to £284 (2022: £53).

Total key management personnel totalled £Nil (2022: £nil).

Notes to the financial statements (continued)

10 Tangible fixed assets

The Group

	Leasehold improvements £	Motor vehicles £	Project and office equipment £	Total £
Cost				
At 1 April 2022	26,627	8,755	573,063	608,445
Additions	-	-	54,826	54,826
Released on disposal	-	(2,643)	(104,353)	(106,996)
At 31 March 2023	26,627	6,112	523,536	556,275
Depreciation				
At 1 April 2022	26,190	8,754	376,576	411,520
Charge for year	453	-	88,301	88,754
Reclassified	(469)	-	469	-
Released on disposal	-	(2,642)	(103,873)	(106,515)
At 31 March 2023	26,174	6,112	361,473	393,759
Net book value				
At 31 March 2023	<u>453</u>	<u>-</u>	<u>162,063</u>	<u>162,516</u>
At 31 March 2022	<u>437</u>	<u>1</u>	<u>196,487</u>	<u>196,925</u>

The Charitable Company

	Office equipment £	Leasehold improvements £	Total £
Cost			
At 1 April 2022	1,244	26,627	27,871
Additions	-	-	-
Released on disposal	(1,244)	-	(1,244)
At 31 March 2023	<u>-</u>	<u>26,627</u>	<u>26,627</u>
Depreciation			
At 1 April 2022	1,067	25,898	26,965
Charge in year	-	453	453
Reclassified	177	(177)	-
Released on disposal	(1,244)	-	(1,244)
At 31 March 2023	<u>-</u>	<u>26,174</u>	<u>26,174</u>
Net book value			
At 31 March 2023	<u>-</u>	<u>453</u>	<u>453</u>
At 31 March 2022	<u>177</u>	<u>729</u>	<u>906</u>

All tangible fixed assets are used for charitable purposes.

Notes to the financial statements (continued)

11 Investments

The Charitable Company

	£
Cost at 1 April 2022 and 31 March 2023	<u>5</u>

At 31 March 2023 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 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.

12 Debtors

	The Group		The Charitable Company	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	1,059,724	940,210	-	-
Other debtors	525	-	-	-
Amounts owed by subsidiary undertaking	-	-	-	-
Amounts owed by fellow group undertakings	435,219	585,924	-	-
Prepayments	228,583	200,264	20,561	2,758
	<u>1,724,051</u>	<u>1,726,398</u>	<u>20,561</u>	<u>2,758</u>

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

Notes to the financial statements (continued)

13 Creditors: amounts falling due within one year

	The Group 2023	2022	The Charitable Company 2023	2022
	£	£	£	£
Trade creditors	195,747	166,624	-	-
Other taxation and social security	171,625	206,528	-	-
Amounts owed to fellow group undertakings	410,031	426,743	410,031	426,743
Accruals and deferred income	1,765,395	1,924,354	142,726	209,834
	<u>2,542,798</u>	<u>2,724,249</u>	<u>552,757</u>	<u>636,577</u>

Accruals and deferred income include pension contributions paid after the year end amounting to £nil (2022: £nil) for the group. Amounts due to group undertakings are repayable on demand and are not subject to interest.

14 Provisions

The Group

	£
At 31 March 2022	26,958
Charged to profit and loss	(17,458)
At 31 March 2023	<u>9,500</u>

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

15 Income funds

Income funds are analysed as follows:

The Group

	Balance 31 March 2022 Restated*	Income	Expenditure	Balance 31 March 2023
	£	£	£	£
Restricted				
Other restricted reserves	-	755,091	(755,091)	-
Other unrestricted funds	2,642,036	4,880,305	(4,809,869)	2,712,472
	<u>2,642,036</u>	<u>5,635,396</u>	<u>(5,564,960)</u>	<u>2,712,472</u>

* The 2021/22 statements have been restated to correct the brought forward position on restricted reserves – see note 2.

Notes to the financial statements (continued)

15 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:

	Total	Restricted	General	Funds
	£	£	charitable	generated
			funds	by
			£	Newground
				£
Balance at 1 April 2022 (Restated*)	2,642,036	-	1,562,738	1,079,298
Net movements in the year	70,436	-	356,751	(286,315)
Balance at 31 March 2023	2,712,472	-	1,919,489	792,983

* The 2021/22 statements have been restated to correct the brought forward position on restricted reserves – see note 2.

The Charitable Company

	Balance			Balance
	31 March			31 March
	2022	Income	Expenditure	2023
	Restated *		(incl. tax)	
	£	£	£	£
Other unrestricted funds	1,342,775	1,614,605	(1,257,854)	1,699,526
Other restricted funds	-	755,091	(755,091)	-
	<u>1,342,775</u>	<u>2,369,696</u>	<u>(2,012,945)</u>	<u>1,699,526</u>

* The 2021/22 statements have been restated to correct the brought forward position on restricted reserves – see note 2.

Notes to the financial statements (continued)

16 Analysis of net assets between funds

The Group

	Unrestricted funds £	Restricted funds £	Total funds £
Fixed assets	162,516	-	162,516
Current assets	5,102,254	-	5,102,254
Provisions	(9,500)	-	(9,500)
Current liabilities	(2,542,798)	-	(2,542,798)
Total net assets	<u>2,712,472</u>	<u>-</u>	<u>2,712,472</u>

The Charitable Company

	Unrestricted funds £	Restricted funds £	Total funds £
Fixed assets	453	-	453
Investments	5	-	5
Current assets	2,251,825	-	2,251,825
Current liabilities	(552,757)	-	(552,757)
Total net assets	<u>1,699,526</u>	<u>-</u>	<u>1,699,526</u>

17 Financial commitments

The Group

The future minimum operating lease payments are as follows:

	2023		2022	
	Land and buildings £	Other £	Land and buildings £	Other £
Operating leases which expire:				
within one year	65,674	-	58,674	-
within two to five years	85,000	-	174,500	-
	<u>150,674</u>	<u>-</u>	<u>233,174</u>	<u>-</u>

18 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 (continued)

19 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 2023

Related party	Sales made by the group £	Purchases made by the group £	Owed to the group £	Owed by the group £
Together Housing Association	812,214	-	-	25,187

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

20 Net debt reconciliation

The Group

	At 1 April 2022 £	Cash-flows £	At 31 March 2023 £
Cash at bank and in hand	3,469,921	(91,718)	3,378,203
Total	3,469,921	(91,718)	3,378,203

Notes to the financial statements (continued)

21 Restricted and unrestricted funds

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

The Group	Unrestricted general funds Restated**	Restricted funds Restated**	Total 2022
	£	£	£
Income			
Donations and legacies	317,698	-	317,698
	317,698	-	317,698
Other trading activities			
Business services*	2,218,921	-	2,218,921
Town Centre BID*	364,423	-	364,423
Landscape services	359,590	-	359,590
Other income	75,944	-	75,944
Investments	400	-	400
	3,019,278	-	3,019,278
Charitable Activities			
Sustainable communities	1,636,800	494,256	2,131,056
Total income	<u>4,973,776</u>	<u>494,256</u>	<u>5,468,032</u>
Expenditure			
Other trading activities			
Other expenditure	(459,730)	-	(459,730)
Business services*	(1,213,491)	-	(1,213,491)
Town Centre BID*	(352,850)	-	(352,850)
Landscape services	(148,219)	-	(148,219)
Support costs	(25,172)	-	(25,172)
	(2,199,462)	-	(2,199,462)
Charitable activities			
Sustainable communities	(2,353,732)	(494,256)	(2,847,988)
Grants payable	16,119	-	16,119
	(2,353,614)	(494,256)	(2,831,869)
Total expenditure	<u>(4,537,075)</u>	<u>(494,256)</u>	<u>(5,031,331)</u>
Net income for the year before tax	436,701	-	436,701
Taxation	4,659	-	4,659
Movement in funds for the year	441,360	-	441,360
Total funds brought forward at 1 April 2021 **	<u>2,200,676</u>	<u>-</u>	<u>2,200,676</u>
Total funds carried forward at 31 March 2022	<u>2,642,036</u>	<u>-</u>	<u>2,642,036</u>

* The 2021/22 statements have been restated to split out the Town Centre BID from within Business Services division to match operational management – nil net impact on previously reported figures.

** The 2021/22 statements have been restated to correct the classification of Newground CIC activities as unrestricted, and the brought forward position on restricted reserves – see note 2.

Notes to the financial statements (continued)

21 Restricted and unrestricted funds (continued)

The Charitable Company	Unrestricted general funds	Restricted funds	Total 2022 Restated*
	£	£	£
Income			
Donations and legacies	317,698	-	317,698
Investments	214	-	214
Sustainable Communities	-	494,256	494,256
Other - gift aid receivable from subsidiary	788,098	-	788,098
Total income	1,106,010	494,256	1,600,266
Expenditure			
Expenditure on charitable activities	(919,309)	-	(919,309)
Sustainable Communities	-	(494,256)	(494,256)
Other – support costs	(25,171)	-	(25,171)
Total expenditure	(944,480)	(494,256)	(1,438,736)
Net incoming resources for the year	161,530	-	161,530
Net movement between funds	161,530	-	161,530
Total funds brought forward at 1 April 2021 *	1,181,245	-	1,181,245
Total funds carried forward at 31 March 2022	1,342,775	-	1,342,775

* The 2021/22 statements have been restated to correct the brought forward position on restricted reserves – see note 2.