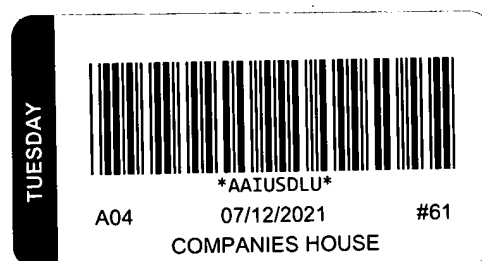


Financial Statements Newground Together

For the year ended 31 March 2021



Company No 02501885

Charity number 702800

Company information

Company registration number	02501885
Registered charity number	702800
Registered office	193 Bolton Road Blackburn BB2 3GE
Bankers	Barclays Bank PLC 6 th Floor One Snowhill Snowhill Queensway Birmingham B4 6GB
Solicitors	Wrigleys LLP 19 Cookridge Street Leeds LS2 3AG
Auditor	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 2021.

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:

James Hartley
Kevin Leith
Laurence Loft (Resigned 9 December 2020)
John Townend
Alan Cotton
Malcolm Harrison
Zaffer Khan
Gwynne Furlong
Jane Fowler (appointed 7 July 2021)

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.

Appointment of trustees

At 30 March 2021 the Charity had one vacant Trustee position following the resignation of Laurence Loft, a recruitment process was undertaken and Jane Fowler was appointed on 7 July 2021. Trustee appointments are for a fixed term of no longer than 3 years. If a Trustee has completed 9 years' continuous service on the board of the charity, they shall not be eligible for re-appointment.

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

Trustee induction and training

New members take part in an induction day. 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 as a regular part of quarterly board meetings. Electronic Board Packs are in place, providing Trustees with an information resource. A Trustee appraisal process is in place.

Organisation

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

An element of the charity's direct operations is 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. In addition, the charity's objects are furthered by the awarding of grants to third parties who can demonstrate that they are able to deliver projects which meet the charity's objects.

Newground CIC is overseen by its own board of executive directors.

Newground Together is a member of Together Housing Group. The Chair of Newground Together is a member of the Together Housing Group Board.

Risk management

The members have a risk management register in place which identifies the major risks to which the charity is exposed and 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

Risk assessments are carried out within the charity and CIC. The outcomes of the assessments are included in the risk assessment register. The Newground Managing Director identifies new risks and monitors existing risks which are reported to the Trustees.

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.

Financial risk management objectives and policies

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

Funding allocations are normally staged and paid on evidence of receipts and meeting agreed criteria. In most cases the final 10% is retained until an acceptable evaluation report has been submitted at the end of the project.

Although the charity will continue to consider and pursue grant-funding opportunities that bring real benefit to the charity, it will continue to minimise its exposure to potentially onerous financial restrictions that certain forms of grant funding can entail.

Going Concern

The Covid-19 pandemic impacted on Newground Together and its activities throughout 2020/21. Activities were reviewed against local and national lockdown guidelines, resulting in changes in the way we operate in order to protect our staff and clients. Activities were adjusted to meet the emerging needs of the communities in which we operate.

The 2020/21 Newground Together Business Plan was done in June 2020 this was revisited throughout the current financial year with no changes being made. The Trustees and senior management team continued to monitor the Business Plan throughout the year. The Trustees have reviewed the 2021/22 Business Plan and the organisation will continue to operate as a going concern with the Board and Senior Management Team continuing to monitor the Covid-19 position throughout the year and take steps to mitigate any emerging risks.

Objectives and activities

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;

Report of the Trustees Continued

- (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 aid the North of England in becoming more sustainable and to improve the social conditions of those living and working there.

Public benefit is achieved both through direct delivery and through an open 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 direct project delivery and grant funded projects completed in 2020/21 are detailed in the achievements and performance section.

Strategic Report

Achievements and performance

The main strategic goals of Newground Together in 2020/21 were to:

- Ensure that funds were allocated appropriately during 2020/21. The Charity did not accept any new grant applications during the first half of the year due to Covid-19 uncertainty. Where projects were at the implementation stage when we went into Covid-19 lockdown a flexible approach was taken with grant recipients, extending project timescales and amending delivery plans to enable projects to continue where possible.
- Update and maintain appropriate management systems to allocate and monitor funding. Grant assessment and monitoring systems were maintained in 2020/21 with greater use of digital processes to take into account Covid-19 restrictions.
- Ensure that appropriate governance is in place and maintained.
- Access a wide range of funding sources. Newground Together has secured significant project funding for projects from European Funding, lottery and other sources, in a number of instances committing resources as match funding to maximise funds spent in furtherance of its charitable objects.

Report of the Trustees Continued

- Promote the activities funded by Newground Together. A new website was launched during the year and a marketing strategy ensures that news of projects funded by the Charity are regularly fed into local media.

With profits from the Charity's subsidiary, Newground CIC, gift aided into the Charity, the Charity is able to achieve its ambition – better lives and opportunities for our communities, through both direct delivery and the distribution of grants.

Newground CIC, has ambitious growth plans for its Business Division, through its professional environmental, health & safety and flood resilience services. The Business Division has continued to meet the international standards of ISO 9001 (Quality), ISO 14001 (Environment) and OHSAS 18001 (Health and Safety).

The work of Landscape and Estate Services Division helps to improve the physical appearance of the North of England through green space design and the maintenance of open spaces, often providing training and work opportunities for unemployed people in the process.

The Sustainable Communities Division has continued to deliver employment support, youth and community work and health and wellbeing projects for a range of clients including local authorities, schools and those in the private sector.

In the 12 months to 31 March 2021 Newground Together has allocated funding to a value of £423,673. In order to demonstrate effective delivery and value for money, the Trustees offered funding in return for agreed outputs which further the Charity's objects.

During the year Newground Together was well placed to respond to local needs and hardship resulting from the Covid-19 pandemic. Our teams supported local foodbanks, delivering 6,930 meals and food parcels to residents, while 2,012 emergency fuel vouchers were distributed at a value of £80,559.

While responding to the emerging Covid-19 challenges we continued to deliver our core programmes; employment and skills provision, youth and community activity and engaging people in the great outdoors.

Our activities supported 5,295 adults, with 651 individuals receiving employment support, resulting in 184 people securing employment.

We also supported 2,895 young people, delivering over 500 activity sessions and providing over 2,200 hours of intensive support.

Plans for the future

The Charity aims to continue to increase the range and level of its activities through direct service provision and by awarding grants and commissions for projects that further its charitable objects.

The key objectives for 2021/22 are to:

- Ensure that charitable funds are allocated appropriately
- Implement a Trustee succession plan
- Ensure that appropriate governance is in place and maintained
- Maintain donor support and widen the range of funding sources
- Promote activities funded by Newground Together
- Support the implementation and reporting on Together Housing Group's Social Value Strategy

Report of the Trustees Continued

Newground Together will undertake specified programmes that meet the charitable objects through direct delivery and commissions through its Community Interest Company. In addition, a programme of open community grants aimed at 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.

As we recover from the Covid-19 pandemic central and local government funding is available to support communities and Newground Together will continue to work with other agencies to coordinate resources and to jointly secure external funding.

The use of Service Level Agreements allows Newground Together to develop a strategic approach to issues that will not be solved by a single grant but will respond well to co-ordinated activity by multiple agencies working together in a planned and measured way.

A framework of outputs will be developed, linked to a performance management framework to effectively record and monitor programme outputs and outcomes.

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 £310,048 (2020: expenditure of £241,113). This resulted in accumulated fund balances of £2,200,676 (2020: £1,890,628).

For the charitable company, the statement of financial activities, shows net incoming resources of £332,765 (2020: outgoing resources £574,935) for the financial year. This resulted in accumulated fund balances of £1,181,245 (2020: £848,480).

The operating divisions delivered projects during 2020/21:-

Business Services had a turnover of £2,161,604 (2020: £2,161,724). The Business Services Division delivered environmental, health and safety and quality business support through subscription services, training and consultancy.

Subscriptions to Newground's online Legislation Update Service continued to grow, attracting new subscribers from across the UK.

We have expanded and developed our team of consultants in order to deliver commercial training and consultancy to an increasing client base across an expanding geographical area.

Sustainable Communities had a turnover of £949,736 (2020: £842,001). 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 turnover of £7,477,178 (2020: £4,956,101). The Landscape Services Division has continued to deliver a range of projects and services for both Together Housing Group (THG) and a number of external clients including local authorities, parish councils, community groups, schools and businesses.

Report of the Trustees Continued

The division increased its delivery of void property clear and clean services. These are provided to Together Housing Association in Lancashire, with expansion into the Yorkshire area in development. Newground also manage Together Housing Association's grounds maintenance service including the management of external grounds maintenance contracts.

The ratio of current assets to current liabilities on the consolidated balance sheet is 1.8:1 (2020: 1.9:1) while the ratio of cash only to current liabilities is 1.3:1 (2020: 1.2:1).

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 £301,169 and the charitable company had net incoming resources before transfers of £332,764. After transfers this resulted in unrestricted fund balances of £2,113,213 (with restricted for the group being £87,463) and unrestricted for the company of £1,470,222 (and restricted with a loss of £288,978) for the charitable company.

Investment powers and policy

Under the Trust'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. The policy addresses the need for the charity to retain sufficient resources to carry out its present and future activities, the level of acceptable risk and how it is managed and the Charity's position on ethical investment.

Reserves policy

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 any 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 contracts or sources of charitable funding.
- To provide cover for any unforeseen downturn in activity and to protect essential services to beneficiaries namely the enhancement of neighbourhoods, fostering employment and promoting health and wellbeing and to allow for generating new replacement activity, in each case in pursuit of the Charity's charitable objectives.

Governance Code

The Charity is best placed to achieve its ambitions and aims through complying with the 7 principles of the Charity Governance Code. This is done through the appointed board members who meet regularly.

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 Harrison

Director

Date: 23 September 2021

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 2021 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 2021 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 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 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.

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:

Based on our understanding of the Group and Parent Charitable Company and the sector in which they operate, we identified that the principal risks of non-compliance with laws and regulations related to their registration with the Charities Commission, and we considered the extent to which non-compliance might have a material effect on the Group and Parent Charitable Company Financial Statements or their continued operation. We also considered those laws and regulations that have a direct impact on the financial statements such as compliance with the Charities Statement of Recommended Practice and the UK Companies Act 2006.

In addition the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: data protection and health and safety legislation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the board members and other management and inspection of regulatory and legal correspondence if any.

We have made an assessment of the susceptibility of the Group's financial statements to material misstatement, including how fraud may occur. In addressing the risk of fraud through management override of controls we have tested the appropriateness of journal entries and other adjustments, in particular any journals posted by senior management, privileged users or with unusual account combinations.

Audit procedures capable of detecting irregularities including fraud performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reading minutes of meetings of those charged with governance, internal audit reports, reviewing correspondence with regulators to identify any actual or potential frauds or any potential weaknesses in internal control which could result in fraud susceptibility;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Procedures to test incoming resources including agreement of incoming resources recognised to supporting documentation on a sample basis;

Newground Together
Financial statements for the year ended 31 March 2021

- Identifying and testing journal entries identified as potentially unusual. This testing included, but was not limited to, any journal entries posted with specific keywords, journals posted by unexpected users, and journals posted to least used accounts;
- Reviewing items included in the fraud register for any potential weaknesses in internal control which could result in fraud susceptibility;
- Challenging assumptions made by management in their significant accounting estimates and judgements in particular in relation to the following:
 - Whether indicators of impairment exist
 - Recoverable amount of accounts receivable
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- We updated our understanding of the Group's current activities, the scope of its authorisation and the effectiveness of the Group's control environment.


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:

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

24 September 2021

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 2021	Total 2020
	Note	£	£	£	£
Income					
Donations and legacies	2	428,035	-	428,035	200,000
		-	-	428,035	200,000
Other trading activities					
Business services		-	2,161,604	2,161,604	2,161,724
Landscape services		-	7,477,178	7,477,178	4,956,101
Other income		-	178,084	178,084	4,100
Investments	2	607	125	732	5,302
		607	9,816,991	9,817,598	7,127,227
Charitable Activities					
Sustainable communities		-	949,736	949,736	842,001
Total income		428,642	10,766,727	11,195,369	8,169,228
Expenditure					
Other trading activities					
Other expenditure	4	-	(507,399)	(507,399)	(534,411)
Business services	4	-	(1,357,300)	(1,357,300)	(1,353,136)
Landscape services	4	-	(7,163,345)	(7,163,345)	(4,718,811)
Support costs	6	(124,045)	-	(124,045)	(135,033)
		(124,045)	(9,028,044)	(9,152,089)	(6,741,391)
Charitable activities					
Sustainable communities	4	-	(1,660,099)	(1,660,099)	(1,545,487)
Grants payable	5	(82,012)	-	(82,012)	(92,025)
		(82,012)	(1,660,099)	(1,742,111)	(1,637,512)
Total expenditure	4	(206,057)	(10,688,143)	(10,894,200)	(8,378,903)
Net income / (expenditure) for the year before tax		222,585	78,584	301,169	(209,675)
Transfer between funds		-	-	-	-
Taxation	7	-	8,879	8,879	(31,438)
Movement in funds for the year		222,585	87,463	310,048	(241,113)
Total funds brought forward at 1 April 2020		1,890,628	-	1,890,628	2,131,741
Total funds carried forward at 31 March 2021	14	2,113,213	87,463	2,200,676	1,890,628

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 2021	Total 2020
	Note	£	£	£	£
Income					
Donations and legacies	2	428,035	-	428,035	200,000
Investments	2	607	-	607	4,938
Sustainable communities		-	381,721	381,721	-
Other - gift aid receivable from subsidiary	3	767,937	-	767,937	395,072
Total income		<u>1,196,579</u>	<u>381,721</u>	<u>1,578,300</u>	<u>600,010</u>
Expenditure					
Expenditure on charitable activities		(423,673)	-	(423,673)	(1,007,716)
Sustainable communities		-	(670,698)	(670,698)	-
Other – support costs	6	(151,164)	-	(151,164)	(167,229)
Total expenditure	4	<u>(574,837)</u>	<u>(670,698)</u>	<u>(1,245,535)</u>	<u>(1,174,945)</u>
Net incoming/(outgoing) resources for the year		621,742	(288,977)	332,765	(574,935)
Total funds brought forward at 1 April 2020		848,480	-	848,480	1,423,415
Total funds carried forward at 31 March 2021	14	<u>1,470,222</u>	<u>(288,977)</u>	<u>1,181,245</u>	<u>848,480</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

		2021	2020
	Note	£	£
Fixed assets			
Tangible assets	9	288,794	330,653
Current assets			
Debtors	11	1,153,072	1,208,159
Cash at bank and in hand		<u>3,151,752</u>	<u>2,116,137</u>
		4,304,824	3,324,296
Creditors: amounts falling due within one year	12	<u>(2,361,325)</u>	<u>(1,723,825)</u>
Net current assets		<u>1,943,499</u>	<u>1,600,471</u>
Total assets less current liabilities		2,232,293	1,931,124
Provisions	13	<u>(31,617)</u>	<u>(40,496)</u>
Net Assets		<u><u>2,200,676</u></u>	<u><u>1,890,628</u></u>
Income funds:			
Restricted funds		87,463	-
Unrestricted funds:			
General charitable funds		<u>2,113,213</u>	<u>1,890,628</u>
Funds	14	<u><u>2,200,676</u></u>	<u><u>1,890,628</u></u>

The accompanying notes form part of these financial statements.

The financial statements were approved by the Board on 23 September 2021.

M. J. Harrison

M Harrison
Director

Company Registration Number: 02501885

Charitable company statement of financial position

		2021	2020
	Note	£	£
Fixed assets			
Tangible assets	9	1,359	1,990
Investments	10	5	5
		<u>1,364</u>	<u>1,995</u>
Current assets			
Debtors	11	152,465	6,100
Cash at bank and in hand		<u>1,773,976</u>	<u>1,163,841</u>
		<u>1,926,441</u>	<u>1,169,941</u>
Creditors: amounts falling due within one year	12	<u>(746,560)</u>	<u>(323,456)</u>
Net current assets		<u>1,179,881</u>	<u>846,485</u>
Total assets less current liabilities		<u>1,181,245</u>	<u>848,480</u>
Net assets		<u><u>1,181,245</u></u>	<u><u>848,480</u></u>
Income funds			
Restricted funds		(288,977)	-
Unrestricted funds:			
General charitable funds		<u>1,470,222</u>	<u>848,480</u>
Charity funds	14	<u><u>1,181,245</u></u>	<u><u>848,480</u></u>

The accompanying notes form part of these financial statements.

The financial statements were approved by the Board on 23 September 2021.

M. J. Harrison

M Harrison
Director

Company Registration Number: 02501885

Consolidated statement of cash flows

	2021	2020
	£	£
Cash flows from operating activities		
Net income/(expenditure) for the financial year	310,048	(241,113)
Adjustments for:		
Depreciation of tangible assets	82,165	83,336
Profit on sale of fixed assets (note 2)	(19,384)	-
Interest received	(732)	(5,302)
Corporation tax (credit)/charge	(8,879)	31,438
Decrease/ (increase) in trade and other debtors	55,088	(296,157)
Decrease in trade creditors and other creditors	637,499	234,942
Cash from operations	1,055,805	(192,856)
Taxation	-	-
Net cash provided by operating activities	1,055,805	(192,856)
Cash flows from investing activities		
Proceeds from sale of tangible assets	20,500	-
Purchases of tangible assets	(41,422)	(81,991)
Net cash used in investing activities	(20,922)	(81,991)
Cash flows from financing activities		
Interest received	732	5,302
Net cash provided by financing activities	732	5,302
Net increase/(decrease) in cash and cash equivalents	1,035,615	(269,545)
Cash and cash equivalents at the beginning of year	2,116,137	2,385,682
Cash and cash equivalents at end of year	3,151,752	2,116,137

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 impacted on Newground Together and its activities throughout 2020/21. Activities were reviewed against local and national lockdown guidelines, resulting in changes in the way we operate in order to protect our staff and clients. Activities were adjusted to meet the emerging needs of the communities in which we operate.

The 2020/21 Newground Together Business Plan was done in June 2020 the Business Plan was revisited throughout the current financial year and no changes were made. The Trustees and senior management team continued to monitor the Business Plan throughout the year. The Trustees have reviewed the 2021/22 Business Plan and the organisation will continue to operate as a going concern with the Board and Senior Management Team continuing to monitor the Covid-19 position throughout the year and take steps to mitigate any emerging risks.

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:

	2021 £	2020 £
Bank deposits	<u>732</u>	<u>5,302</u>

The Charitable Company

Investment income comprises income from:

	2021 £	2020 £
Bank deposits	<u>607</u>	<u>4,938</u>

Voluntary income

The Group and Charitable Company

Voluntary income comprises income from:

	2021 £	2020 £
Other donations	<u>428,035</u>	<u>200,000</u>
	<u>428,035</u>	<u>200,000</u>

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

Profit on sale of fixed assets

	2021 £	2020 £
Proceeds	20,500	-
Cost	(1,116)	-
Profit	<u>19,384</u>	<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.

	2021	2020
	£	£
Turnover	10,548,458	8,883,759
Cost of sales	(9,452,859)	(7,625,675)
Gross profit	1,095,599	1,258,084
Other operating income	148,018	36,296
Administration costs	(507,399)	(534,411)
Gift aid payable	(767,937)	(395,072)
Bank interest receivable	124	364
Taxable profits	(31,595)	365,261

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

	2021	2020
	£	£
Fixed assets	287,437	328,665
Current assets	2,659,581	2,163,914
Creditors: amounts falling due within one year	(1,895,961)	(1,409,927)
Provisions	(31,617)	(40,496)
Total net assets	1,019,440	1,042,156
Share capital and reserves	1,019,440	1,042,156

4 Analysis of total resources expended

The Group

	Cost of generating funds	Charitable expenditure	Governance costs	Total 2021	Total 2020
	£	£	£	£	£
Sustainable Communities	-	1,660,099	-	1,660,099	1,545,487
Business Services	1,357,300	-	-	1,357,300	1,353,136
Landscape Services	7,163,345	-	-	7,163,345	4,718,811
Other	507,399	-	-	507,399	534,411
Management of the subsidiary (see note 6)	71,945	-	-	71,945	66,869
Governance costs (see note 6)	-	-	52,100	52,100	68,164
Grants payable (see note 5)	-	82,012	-	82,012	92,025
Total	9,099,989	1,742,111	52,100	10,894,200	8,378,903

Notes to the financial statements

4 Analysis of total resources expended (continued)

The Charitable Company

	Charitable Activities £	Generating funds £	Governance costs £	Total 2021 £	Total 2020 £
Grants made payable to subsidiary (see note 5)	341,661	670,697	-	1,012,358	915,691
Support costs (see note 6)	124,045	-	27,120	151,165	167,229
Funds returned	(5,000)	-	-	(5,000)	(6,142)
Grants payable	87,012	-	-	87,012	98,167
Total	547,718	670,697	27,120	1,245,535	1,174,945

The Group

	2021 £	2020 £
Total resources expended include :		
Auditors remuneration:		
Fees payable to the group's auditor for the audit of the group's annual financial statements	18,000	17,500
Depreciation:		
Tangible fixed assets, owned	82,165	83,336
Other operating lease rentals	45,174	44,174

The Charitable Company

	2021 £	2020 £
Total resources expended include:		
Auditors remuneration:		
Fees payable to the charitable company's auditor for the audit of the company's annual financial statements	11,600	11,300
Depreciation:		
Tangible fixed assets, owned	631	702

Notes to the financial statements

5 Grants payable

The Group and Charitable Company

The following projects were funded by the Charity in 2020/2021 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 2021:

Project Name	Grants to Institutions
	Total amount
	£
Newground CIC 2020/21	341,661
Working Wardrobe	7,500
The HUB @ St James	5,000
COMM GRANT 20/21	4,512
Offshoots Development	70,000
LESS funds returned from prior years	(5,000)
Expenditure on charitable Activities - Unrestricted Reserves - the charitable company	423,673
Payments made from NT to NGCIC	(341,661)
Total for the charitable group	82,012

Notes to the financial statements

6 Support cost allocation

The Group

	Management of subsidiary £	Governance costs £	Total 2021 £	Total 2020 £
Salaries and wages	84,373	3,541	87,914	102,343
External audit	-	18,000	18,000	13,560
Legal	-	450	450	1,680
General office and administration	17,681	-	17,681	17,450
	<u>102,054</u>	<u>21,991</u>	<u>124,045</u>	<u>135,033</u>

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

The Charitable Company

	Management of subsidiary £	Governance costs £	Total 2020 £	Total 2021 £
Salaries and wages	111,493	3,541	115,034	134,539
External audit	-	11,600	11,600	13,560
Legal	-	3,088	3,088	1,680
General office and administration	21,442	-	21,442	17,450
	<u>132,935</u>	<u>18,229</u>	<u>151,164</u>	<u>167,229</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

	2021	2020
	£	£
Deferred tax		
Origination and reversal of timing differences	(8,879)	31,438
UK current tax (credit)/expense	<u>(8,879)</u>	<u>31,438</u>

Reconciliation of Tax

	2021	2020
	£	£
Group net income/(expenditure) for year	301,169	(209,675)
Expenditure/(income) not subject to tax	435,172	970,007
Profit subject to tax	<u>736,341</u>	<u>760,332</u>
Profit on ordinary activities by rate of tax 19% (2020:19%)	139,905	144,463
Fixed asset differences	2,001	1,874
Expenses not deductible for tax	-	799
Amounts (charged) directly to equity of otherwise transferred	(151,016)	(146,268)
Adjustment in respect of prior periods	-	26,398
Other permanent differences	231	-
Adjust opening deferred tax to 19%	-	4,172
Total tax (credit)/expense	<u>(8,879)</u>	<u>31,438</u>

8 Staff costs

The Group

	2021	2020
	£	£
Wages and salaries	2,514,262	2,395,614
Social security costs	222,679	210,503
Other pension costs	201,710	190,099
Recharged wages	681,572	656,982
	<u>3,620,223</u>	<u>3,453,198</u>

Notes to the financial statements

8 Staff costs (continued)

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

	2021 No	2020 No
Direct charitable expenditure	86	87
Management and administration of charity	5	5
	<u>91</u>	<u>92</u>

During the year, total full-time equivalents for all staff amounted to 84 (2020: 86).

Total key management personnel emoluments totalled £307,466 (2020: £303,946) of which £71,889 (2020: £10,419) was recharged from fellow parent company. Key management personnel is defined as the senior management team.

The Charitable Company	2021 £	2020 £
Wages and salaries	82,709	85,854
Social security costs	3,541	6,791
Other pension costs	1,517	5,975
	<u>87,767</u>	<u>98,620</u>

	2021 No	2020 No
The average number of employees during the year was as follows:		
Management and administration of charity	<u>1</u>	<u>2</u>

During the year, total full-time equivalents for all staff amounted to one (2020: two).

There was one employee receiving remuneration (on a full-time equivalent basis) in the range of £60,000 - £70,000 (2020: One).

No trustee received remuneration in the year from the charity (2020: £Nil).

Expenses were reimbursed to the trustees during the year amounted to £nil (2020: £311).

Total key management personnel totalled £59,341 (2020: £65,722).

Notes to the financial statements

9 Tangible fixed assets

The Group

	Leasehold improvements £	Motor vehicles £	Project and office equipment £	Total £
Cost				
At 1 April 2020	26,627	70,500	532,727	629,854
Additions	-	-	41,422	41,422
Disposals	-	(61,745)	-	(61,745)
At 31 March 2021	26,627	8,755	574,149	609,531
Depreciation				
At 1 April 2020	24,812	69,049	205,340	299,201
Charge for year	925	230	81,010	82,165
Disposals	-	(60,629)	-	(60,629)
At 31 March 2021	25,737	8,650	286,350	320,737
Net book value				
At 31 March 2021	890	105	287,799	288,794
At 31 March 2020	1,815	1,451	327,387	330,653

The Charitable Company

	Office equipment £	Leasehold improvements £	Total £
Cost			
At 1 April 2020	1,244	26,627	27,871
Additions	-	-	-
At 31 March 2021	1,244	26,627	27,871
Depreciation			
At 1 April 2020	1,067	24,814	25,881
Charge in year	-	631	631
At 31 March 2021	1,067	25,445	26,512
Net book value			
At 31 March 2021	177	1,182	1,359
At 31 March 2020	177	1,813	1,990

All tangible fixed assets are used for charitable purposes.

Notes to the financial statements

10 Investments

The Charitable Company

	£
Cost at 1 April 2020 and 31 March 2021	<u>5</u>

At 31 March 2021 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%
Sustainable Business Hub Limited	Ordinary	100%

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

11 Debtors

	The Group 2021 £	2020 £	The Charitable Company 2021 £	2020 £
Trade debtors	654,999	785,494	-	-
Other debtors	87	-	-	-
Amounts owed by subsidiary undertaking	-	-	145,970	-
Amounts owed by fellow group undertakings	236,090	192,265	-	-
Prepayments	261,896	230,400	6,495	6,100
	<u>1,153,072</u>	<u>1,208,159</u>	<u>152,465</u>	<u>6,100</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 2021	2020	The Charitable Company 2021	2020
	£	£	£	£
Trade creditors	242,181	158,767	-	-
Amounts owed to fellow group undertakings	188,532	98,105	281,196	11,721
Accruals and deferred income	1,930,612	1,466,953	465,364	311,735
	<u>2,361,325</u>	<u>1,723,825</u>	<u>746,560</u>	<u>323,456</u>

Accruals and deferred income include pension contributions paid after the year end amounting to £nil (2020: £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 2020	40,496
Charged to profit and loss	(8,879)
At 31 March 2021	<u>31,617</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 2020 £	Income £	Expenditure £	Transfers £	Balance 31 March 2021 £
Restricted					
Other restricted reserves	-	10,646,833	(10,559,370)	-	87,463
Other unrestricted funds	1,890,628	428,642	(206,057)	-	2,113,213
	<u>1,890,628</u>	<u>11,075,475</u>	<u>(10,765,427)</u>	<u>-</u>	<u>2,200,676</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:

	Total £	Restricted £	General charitable funds £	Funds generated by Newground £
Balance at 1 April 2020	1,890,628	-	848,481	1,042,147
Net movements in the year	222,585	-	332,763	(110,178)
Amounts from restricted	87,463	87,463	-	-
Balance at 31 March 2021	2,200,676	87,463	1,181,244	931,969

The Charitable Company

	Balance 31 March 2020 £	Income £	Expenditure (incl. tax) £	Balance 31 March 2021 £
Other unrestricted funds	848,480	1,196,579	(574,837)	1,470,222
Other restricted funds	-	381,721	(670,698)	(288,977)
	<u>848,480</u>	<u>1,578,300</u>	<u>(1,245,535)</u>	<u>1,181,245</u>

Notes to the financial statements

15 Analysis of net assets between funds

The Group

	Unrestricted funds £	Restricted funds £	Total funds £
Fixed assets	288,794	-	288,794
Current assets	4,217,361	87,463	4,304,824
Provisions	(31,617)	-	(31,617)
Current liabilities	(2,361,325)	-	(2,361,325)
Total net assets	<u>2,113,213</u>	<u>87,463</u>	<u>2,200,676</u>

The Charitable Company

	Unrestricted funds £	Restricted funds £	Total funds £
Fixed assets	1,359	-	1,359
Investments	5	-	5
Current assets	1,926,441	-	1,926,441
Current liabilities	(457,583)	(288,977)	(746,560)
Total net assets	<u>1,470,222</u>	<u>(288,977)</u>	<u>1,181,245</u>

16 Financial commitments

The Group

The future minimum operating lease payments are as follows:

	2021		2020	
	Land and buildings £	Other £	Land and buildings £	Other £
Operating leases which expire:				
within one year	45,174	1,382	44,174	1,382
within two to five years	56,500	-	134,000	-
	<u>101,674</u>	<u>1,382</u>	<u>178,174</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 2021

Related party	Sales made by the group £	Purchases made by the group £	Owed to the group £	Owed by the group £
Together Housing Association	7,853,341	5,281,603	188,532	236,091

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 2020
	£	£	£
Income			
Donations and legacies	200,000	-	200,000
	<u>200,000</u>	<u>-</u>	<u>200,000</u>
Other trading activities			
Business services	-	2,161,724	2,161,724
Landscape services	-	4,956,101	4,956,101
Other income	-	4,100	4,100
Investments	4,938	364	5,302
	<u>4,938</u>	<u>7,122,289</u>	<u>7,127,227</u>
Charitable Activities			
Other income	-	-	-
Sustainable communities	-	842,001	842,001
	<u>-</u>	<u>842,001</u>	<u>842,001</u>
Total income	<u>204,938</u>	<u>7,964,290</u>	<u>8,169,228</u>
Expenditure			
Other trading activities			
Other expenditure	-	(534,411)	(534,411)
Business services	-	(1,353,136)	(1,353,136)
Landscape services	-	(4,718,811)	(4,718,811)
Support costs	(135,033)	-	(135,033)
	<u>(135,033)</u>	<u>(6,606,358)</u>	<u>(6,741,391)</u>
Charitable activities			
Sustainable communities	-	(1,545,487)	(1,545,487)
Grants payable	(92,025)	-	(92,025)
	<u>(92,025)</u>	<u>(1,545,487)</u>	<u>(1,637,512)</u>
Total expenditure	<u>(227,058)</u>	<u>(8,151,845)</u>	<u>(8,378,903)</u>
Net (expenditure) for the year before tax	(22,120)	(187,555)	(209,675)
Transfer between funds	(218,993)	218,993	-
Taxation	-	(31,438)	(31,438)
	<u>-</u>	<u>(31,438)</u>	<u>(31,438)</u>
Movement in funds for the year	(241,113)	-	(241,113)
Total funds brought forward at 1 April 2020	<u>2,131,741</u>	<u>-</u>	<u>2,131,741</u>
Total funds carried forward at 31 March 2021	<u>1,890,628</u>	<u>-</u>	<u>1,890,628</u>

Notes to the financial statements

All funds were unrestricted in the parent charity.

	Unrestricted general funds	Restricted funds	Total 2020
	£	£	£
Income			
Donations and legacies	200,000	-	200,000
Investments	4,938	-	4,938
Other - gift aid receivable from subsidiary	395,072	-	395,072
Total income	<u>600,010</u>	<u>-</u>	<u>600,010</u>
Expenditure			
Expenditure on charitable activities	(1,007,716)	-	(1,007,716)
Other – support costs	(167,229)	-	(167,229)
Total expenditure	<u>(1,174,945)</u>	<u>-</u>	<u>(1,174,945)</u>
Net (outgoing) resources for the year	(574,935)	-	(574,935)
Total funds brought forward at 1 April 2020	1,423,415	-	1,423,415
Total funds carried forward at 31 March 2021	<u>848,480</u>	<u>-</u>	<u>848,480</u>