Charity Number: 1207899

NEWGROUND
FOUNDATION

Trustees' Annual Report and Unaudited Financial Statements
For the period ended 31 January 2026

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NewGround Foundation
Reference and administrative details

Trustees during the period ended 31 January 2026

	Kate Griffiths Sanjay Mahtani Graham Lane Rosamund Hamilton
Charity Registered Number	1207899
Registered office	Workshop R/O Simon House Windmill Road, Headington Oxford OX3 7BU
Bankers	The Co-operative Bank PO Box 250 Skelmersdale WN8 6WT Website: www.co-operativebank.co.uk
Independent Finance Support:	FLAS Financial Services Batsirai Mhuka 34 Proctor Way Faringdon SN7 7UY Email: batsi@flasinc.co.uk Website: www.flasinc.co.uk
Independent Examiner	Thomas Bradley ACMA

NewGround Foundation
Trustees' Annual Report
For the period ended 31 January 2026

Objectives and activities

The objects for which the charity was established are:

"For the public benefit, to promote the resettlement and rehabilitation of offenders and ex-offenders by:

A. Empowering them to gain employment and independence through the provision of education, training and necessary support designed to enable them to generate a sustainable income and be self-sufficient.

B. Developing their individual capabilities, competencies, skills and understanding of employable value.

The goal of the NewGround Foundation is to give people coming out of prison the opportunity to never reoffend. To achieve this, we go into prisons and probation settings to deliver industry standard speciality coffee and barista training, supporting interested graduates from our courses into employment in the coffee industry upon release or while on temporary licence. Our belief is that this training gives individuals a realistic pathway into employment in the high vacancy hospitality industry, by teaching them the core skills needed to work in a cafe and helping with employment connections.

This financial year saw us significantly develop our intensive three-day NewGround Academy course, which has become our primary activity. We continued our partnership with HMP Springhill, delivering three such courses there, and also expanded our training offering to the Midlands at the invitation of its Area Executive Director, beginning training in HMP Leicester, a category B remand prison, and the Worcestershire probation office.

Achievements and Performance

Our key achievements and outcomes for the past year include:

- Delivering three NewGround Academy courses in HMP Springhill, with 19 men graduating.
- Running pilot courses in HMP Leicester and Worcestershire probation office, with eight out of nine participants graduating.
- Seeing one of our first graduates, who had been working in the NewGround roastery, released from custody and continuing in his role post-release.
- Seeing three further graduates securing employment in Oxford cafes, either on ROTL or post-release.
- Seeing an increase of over 250% in our grant income, in addition to starting to receive statutory income from our training courses.
- Raising funds for a new project to create a training cafe within HMP Grendon, due to be opened in Autumn 2026.

In addition to the above, the year has also seen the charity grow in strength in its relationships and future plans. We have invested further in our policies and procedures, developed our course content to provide learners with more experience of operating in a busy cafe environment, and developed key relationships both with HMPPS staff and external organisations and charities.

The charity's main activities are described in the sections above. The board of trustees is satisfied with the performance of the charity during the year and the public benefit that has arisen from our activities. In planning the activities, the trustees have had regard to the Charity Commission's guidance on public benefit.

We continue to be so grateful to our early funders and supporters. We feel humbled by the willingness shown to support our cause while we still feel in the early stages of our work as charity. The financial support of trusts, foundations and individuals has been immensely valuable as we continue to establish ourselves as a charity, and has served to create opportunities for some of society's most overlooked people.

Financial Review

The trustees are satisfied with our financial position and projections for the future. A second successive shortfall was expected with the charity still in its early days and building up its impact; it was planned that the charity would continue to draw on funds raised through the sale of a proportion of its shares in New Ground Group Ltd in late 2023. A detailed analysis of income, expenditure, and fund balances is provided in the financial statements and notes to the accounts.

The trustees are pleased with the growth in grant income this year, especially given most were awarded before the charity had a set of published accounts which made us ineligible to apply to various funds. The trustees are also pleased to see the charity beginning to receive statutory income for training courses delivered in prisons. With a greater body of work to show and having begun developing a relationship with some funders, it is hoped that income will continue to grow in the following financial year.

A further sale of shares took place in 2026 after the end of the financial year reported here, which was planned from late 2025. This was agreed when the opportunity arose due to New Ground Group Ltd seeking investment to add a new premises, and should not be seen as a response to the financial position of the charity.

Reserves Policy

The NewGround Foundation sees its reserves as an allocation of unrestricted funds that can be spent on any purpose of the charity. These reserves are to be maintained at a level equivalent to three months' core expenditure for the charity. This level of reserves are to safeguard the charity's future, ensuring the continuation of core operations even if funding experiences a shortfall, and providing time to consider ways of securing additional funds. Furthermore, in the remote possibility of the charity ceasing operations, these reserves would facilitate an orderly shutdown, ensuring all commitments are honoured.

As of 31 January 2026, unrestricted reserves amounted to just under £8,000, short of our target of £10,250. The Trustees approved some use of reserve funds to ease cash flow as we awaited income from the sale of shares; this sale was successful and the reserves have since been replenished to the target amount. As activities increase, the Trustees continue to monitor the level of reserves to ensure they stay in line with 3 months' core expenditure (as per our Reserves Policy).

Plans for Future Periods

In the coming year, the NewGround Foundation will be increasing its training offering in HMPPS settings with plans to run 10 NewGround Academy courses in 2026-27. We hope that as more people graduate from our course, and more of our previous graduates leave custody, we will be able to support more into post-release employment in the coffee industry.

We will also be undertaking a capital project to transform a disused classroom in HMP Grendon into a cafe, used for both barista training and a working cafe to serve prison staff. Having successfully raised the majority needed for this in grant pledges this financial year, work will commence midway through 2026. We are also in discussions to 'sponsor' and oversee the staff cafe in HMP Springhill in which we deliver

our training. Our involvement in both of these cafes will be on a more regular basis than our training, enabling us to work with and get to know beneficiaries for longer as they progress from the classroom to gaining work experience in the cafe. We will be assessing this different model and the social return on investment it brings, which will help inform our strategy moving forward.

Structure, Governance and Management

Legal Form

The NewGround Foundation is a Charitable Incorporated Organisation (CIO) registered in England and Wales with the Charity Commission under charity number 1207899. The CIO was incorporated on 17th April 2024, with this year its second year of operation. Its principal office is Simon House, Workshop R/O 2 Windmill Road, Oxford, OX3 7BU.

The charity is controlled by its governing document, a Constitution dated 17th April 2024.

Organisational Structure

The charity is governed by a board of trustees who are responsible for overall strategy, financial oversight, and risk management. Day-to-day activities are carried out by the charity's employees and CEO, under the strategic oversight of the trustees.

Trustee Appointment

Trustees are appointed in line with the procedures set out in the charity's constitution. Prospective trustees are considered for their alignment with the charity's vision, and their skills, knowledge and experience needed for the effective administration of the CIO. New trustees are provided with a practical introduction to the charity, including access to all essential governance and operational documents, and the option of meetings with key personnel to further discuss responsibilities and any queries.

New Ground Group Ltd

The NewGround Foundation CIO holds a significant minority shareholding in NewGround Group Ltd, owning 31% of the company's total share capital as at year end. The NewGround Foundation has a formal and values-driven relationship with NewGround Group Ltd.

While the governance and leadership of the two organisations remain independent, the entities are closely aligned in mission and values, and maintain a collaborative relationship through shared storytelling, brand identity, and the joint use of digital platforms such as the website. The shareholding is structured to provide the Foundation with long-term financial security, with a view to future dividend payouts that can be reinvested into its charitable programmes.

There are no shared employees or operational functions, and each entity maintains separate boards, finances, and legal responsibilities. The ownership structure ensures ongoing alignment while allowing NewGround Group Ltd to operate commercially with impact at its core.

Approved by the board of trustees on 9th July 2026 and signed on their behalf by:

Name: Sanjay Mahtani

Role: Trustee

Signature: SMahtani

Sanjay Mahtani (Sep 14, 2026, 12:01pm)

NewGround Foundation
Independent Examiner's Report
For the period ended 31 January 2026

I report to the trustees on my examination of the financial statements of **NewGround Foundation** for the period ended **31 January 2026**, which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes.

Responsibilities and basis of report

As the charity's trustees, you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair" view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Examiner's details

Name: Thomas Bradley ACMA

Relevant professional qualification or body: CIMA

Signed: Thomas J Bradley

Thomas Bradley (Sep 7, 2026, 12:26pm)

Date: 07 Sep 2026

NewGround Foundation
Statement of Financial Activities
For the period ended 31 January 2026

	Note	Unrestricted fund £	Restricted fund £	Total funds 2026 £	Total funds 2025 £
Income and Endowments from:					
Donations and legacies	3	14,596	11,500	26,096	7,134
Charitable activities	4	1,528	-	1,528	-
Total income and endowments		**16,124**	**11,500**	**27,624**	**7,134**
Expenditure on:					
Charitable activities	5	(41,797)	(10,224)	(52,021))	(24,593)
Total expenditure		**(41,797)**	**(10,224)**	**(52,021)**	**(24,593)**
Net income/(expenditure)		**(25,673)**	**1,276**	**(24,397)**	**(17,459)**
Transfer between funds		-	-	-	-
Net movement in funds		**(25,673)**	**1,276**	**(24,397)**	**(17,459)**
Reconciliation of funds					
Total funds brought forward		-	-	-	-
Net movement in funds	13	(25,673)	1,276	(24,397)	(17,459)
Total funds carried forward		**(25,673)**	1,276	**(24,397)**	**(17,459)**

The Statement of financial activities includes all gains and losses recognised in the period.
The notes on pages 11-14 form part of these financial statements.

NewGround Foundation
Balance Sheet
As at 31 January 2026

	Note	2026	2025
		£	£
Fixed Assets			
Property, Plant and Equipment	7	1,367	-
Investments	9	126,559	126,559
		127,926	**126,559**
Current Assets			
Debtors	10	3,044	313
Cash at Bank and in Hand	11	8,004	25,342
		11,048	**25,655**
Creditors: Amounts Falling Due within one Year	12	**(12,250)**	**(1,093)**
Net Current Assets (Liabilities)		**(1,202)**	**24,562**
Total assets less current liabilities		**126,724**	**151,121**
Total Net Assets		**126,724**	**151,121**
Charity Funds			
Restricted funds		1,276	-
Unrestricted funds		125,448	151,121
Total Funds of the Charity	13	**126,724**	**151,121**

The company was entitled to exemption from audit under s477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and the preparation of accounts.
These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

Approved by the trustees on 26 August 2026 and signed on their behalf by:

Name: Sanjay Mahtani

Role: Trustee

Signature: SMahtani

Sanjay Mahtani (Sep 14, 2026, 12:01pm)

NewGround Foundation
Notes to the Financial Statements
For the period ended 31 January 2026

1. General Information

NewGround Foundation is a Charitable Incorporated Organisation (CIO), registered in England and Wales with the Charity Commission under charity number **1207899**.

NewGround Foundation succeeded the activities of NewGround CIC, whose operations were transferred to the CIO on incorporation. The charity was established with the aim of providing training and employment opportunities for prisoners and prison-leavers, with the aim of providing the opportunity to never reoffend.

These financial statements cover the period from **1 February 2025 to 31 January 2026**.

2. Accounting Policies

The financial statements have been prepared in accordance with:

- The Charities Statement of Recommended Practice (SORP) FRS 102 applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102),
- The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102),
- The Charities Act 2011.

NewGround Foundation meets the definition of a public benefit entity under FRS 102.
The financial statements are prepared under the historical cost convention and in sterling (£), which is the functional currency of the charity.

a) Income

Income is recognised in the Statement of Financial Activities (SoFA) when the charity is entitled to the income, receipt is probable, and the amount can be measured reliably. This includes donations, grants, and other forms of voluntary income.

b) Expenditure

Expenditure is recognised on an accruals basis when a legal or constructive obligation exists, it is probable that settlement will be required, and the amount can be measured reliably.

Charitable expenditure comprises costs incurred directly in the delivery of the charity's activities and support costs. Governance costs include those associated with the strategic management of the charity and compliance with statutory requirements.

c) Fund Accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity.
Restricted funds are donations or grants received where the donor has specified a particular purpose for the income to be used.

d) Debtors and Creditors

Debtors are recognised at settlement amount due. Creditors are recognised where the charity has a present obligation resulting from a past event that will probably require settlement, and the amount can be reliably estimated.

e) Cash Flow Statement

The charity has taken advantage of the exemption available under FRS 102 from preparing a Statement of Cash Flows, as it qualifies as a small charity.

f) Fixed asset investments
Investments are measured at fair value. Changes in fair value are recognised in the statement of financial activities. Where fair value cannot be reliably measured, cost less impairment is used

g) Going concern
The financial statements are prepared on a going concern basis. The trustees have assessed the charity's financial position and consider it able to continue its activities for the foreseeable future.

3. Donations and legacies

	Unrestricted	Restricted	Total 2026	Total 2025
	£	£	£	£
Doris Field Charitable Trust	1,000	-	**1,000**	1,000
Magdalen College Trust CIO	-	-	**-**	500
Maurice & Hilda Laing Family Trust	-	2,000	**2000**	-
Rothschild Foundation	-	4,500	**4,500**	-
The 29th May 1961 Charitable Trust	5,000	-	**5,000**	-
The Albert Hunt Trust	3,000	-	**3,000**	-
The Stanton Ballard Charitable Trust	500	-	**500**	1,000
The SpeedoMick Foundation	-	-	**-**	3,000
Weavers Benevolent Fund	-	5,000	**5,000**	-
Other individual donations and gifts	5,096	-	**5,096**	1,634
Total Donations and legacies	**14,596**	**11,500**	**26,096**	**7,134**

4. Charitable expenditure

	Unrestricted	Restricted	Total 2026	Total 2025
	£	£	£	£
HMPPS training contract	1,528	-	**1,528**	-
Total Donations and legacies	1,528	**-**	**1,528**	**-**

5. Charitable expenditure

	Unrestricted	Restricted	Total 2026	Total 2025
	£	£	£	£
Employee costs	38,103	10,100	48,203	22,611
Subscriptions	478	-	478	937
Other expenditure	3,216	124	3,340	1,045
Total Charitable expenditure	**41,797**	**10,224**	**52,021**	**24,593**

6. Employee and trustee remuneration

The charity had one employee during the year. The total employment costs, including salary, employer's National Insurance and pension contributions, are shown in note 4.

None of the Trustees received any emoluments or expenses for the provision of trustee services in the reporting financial year.

No employees received benefits of over £60,000 during the period.

7. Property, Plant and Equipment

	Office Equipment	Total
Cost		
At 1 February 2025	-	-
Additions	1,492	1,492
At 31 January 2026	**1,492**	**1,492**
Depreciation		
At 1 February 2025	-	-
Charge for the year	125	125
At 31 January 2026	**125**	**125**
Carrying amount		
At 31 January 2026	**1,368**	**1,368**
At 31 January 2025	-	-

Office equipment includes coffee training and operational equipment purchased during the period. Depreciation is charged on a straight-line basis over the estimated useful life of the assets.

8. Related Party Transactions

The charity holds a 31.12% shareholding in NewGround Group Ltd, a related party by virtue of this equity interest. The shares were transferred from NewGround CIC on 17 April 2024 as part of the transition of operations to the CIO.

The investment was initially recognised at £120,248 based on the net asset value of NewGround Group Ltd as at 31 July 2023 and was subsequently revalued to £126,559 as at 31 January 2025. The investment continues to be held at this valuation as at 31 January 2026.

At 31 January 2026, an amount of £2,985 (2025: £313) was receivable from NewGround Group Ltd and is included within debtors.

Other than the above, there were no material related party transactions during the period.

9. Investments

	Unlisted Investments £

Cost or valuation at 1 February 2025	126,559
Additions during the year	-
Disposals during the year	-
Revaluations during the year	-
Cost or valuation at 31 January 2026	**126,559**

On 17 April 2024, the charity acquired a 31.12% equity holding in NewGround Group Ltd through a transfer of assets from its predecessor entity, NewGround CIC.

The investment was initially recognised at £120,248 based on the net asset value of NewGround Group Ltd as at 31 July 2023. Following a review of the underlying value of the investment, the carrying value was increased to £126,559 as at 31 January 2025.

The investment is classified as a fixed asset financial instrument under FRS 102 and is held at fair value. The trustees have reviewed the carrying value at 31 January 2026 and are satisfied that no impairment or further revaluation adjustment is required.

10. Debtors

	2026	2025
	£	£
Amounts receivable from related parties	2,985	313
Other Debtors	59	-
Total Debtors	**3,044**	**313**

11. Cash at Bank and in Hand

	2026	2025
	£	£
Cash at Bank and in hand	8,044	25,342
Total Cash at Bank and in hand	**8,044**	**25,342**

12. Creditors

	2026	2025
	£	£
Other creditors	12,250	1,093
Total Creditors	**12,250**	**1,093**

13. Statement of Funds

	Balance at 01 Feb 2025	Income	Expenditure	Balance at 31 Jan 2026
Unrestricted Fund	151,121	16,124	(41,797)	125,448
Restricted Fund	-	11,500	(10,224)	1,276
Total	**151,121**	**27,624**	**(52,021)**	**126,724**

The charity operates both unrestricted and restricted funds.

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the charity's objects.

Restricted funds comprise grants and donations received for specific purposes determined by the donor. During the period, the charity received restricted income of £11,500 and incurred restricted expenditure of £10,224, resulting in a closing restricted fund balance of £1,276.

The closing restricted fund balance is substantially represented by the net book value of equipment purchased from restricted grant funding and held for use in the charity's activities.

Total funds at 31 January 2026 amounted to £126,724, comprising unrestricted funds of £125,448 and restricted funds of £1,276.

14. Volunteers

The charity benefits from the involvement and unpaid work of volunteers. During the year, 5 volunteers contributed approximately 82 hours. In accordance with the Charities SORP, this contribution has not been included in the accounts as it cannot be reliably quantified in monetary terms.

15. Post Balance Sheet Events

The charity agreed and subsequently completed the disposal of 22,400 shares in NewGround Group Ltd for proceeds of £39,872. The transaction completed after 31 January 2026 and has not been recognised in these financial statements.

The charity also secured grant funding of approximately £15,000 towards a café project at HMP Grendon and entered into agreements to deliver additional training programmes during 2026.