

GROUNDWORK WALES

England & Wales · Charity number 1096662

Details

Status Registered

Legal form Charitable company

Company number [03577896](#)

Registered 2003-03-24

Register [View on the Charity Commission register](#)

Contact

Address Groundwork Wales
Ty Mynyddislwyn Environment Centre
Bryn Road
Pontllanfraith
Blackwood
Gwent

Phone 01495222605

Email kath.williams@groundwork.org.uk

Website www.groundwork.org.uk/wales

Activities

Objects: THE OBJECTS OF THE COMPANY ARE FIRSTLY TO PROMOTE THE CONSERVATION, PROTECTION AND IMPROVEMENT OF THE PHYSICAL AND NATURAL ENVIRONMENT ANYWHERE IN THE AREA AND SECONDLY TO PROVIDE FACILITIES IN THE INTERESTS OF SOCIAL WELFARE FOR RECREATION AND LEISURE TIME OCCUPATION WITH THE OBJECTIVE OF IMPROVING THE CONDITIONS OF LIFE FOR THOSE LIVING IN OR WORKING IN OR RESORTING 'TO WALES' AND THIRDLY TO ADVANCE PUBLIC EDUCATION IN ENVIRONMENTAL MATTERS AND OF THE WAYS OR BETTER CONSERVING, PROTECTING AND IMPROVING THE SAME WHERESOEVER AND FOURTHLY TO PROMOTE THE EFFICIENCY OF OTHER CHARITIES HAVING OBJECTS SIMILAR TO THE OBJECTS OF THE COMPANY.

Activities: Groundwork's purpose is to build sustainable communities in areas of need through joint environmental action

Classification

- **How:** Makes Grants To Organisations, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Arts/culture/heritage/science, Amateur Sport, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** ANYWHERE IN WALES.
- Throughout Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,386,155	£1,457,154	£920,844	28
2024-03-31	£1,193,138	£1,261,844	£991,843	28
2023-03-31	£1,379,141	£1,284,600	£1,060,549	31
2022-03-31	£1,707,455	£1,510,781	£966,008	31
2021-03-31	£1,365,693	£1,262,891	£769,324	37

Trustees

Name	Role	Appointed
Phil Fiander OBE	Chair	2018-12-10
Michele Hunt		2025-04-08
Professor John Brewster Hunt		2025-09-03
Samantha Hawkins		2025-04-07
Sara Burnbull		2025-11-26

GROUNDWORK WALES

England & Wales - Charity number 1096662

Accounts



Groundwork Wales

**Annual Report and
Financial Statements 2024/25**

Groundwork Wales

Charity registration no. 1096662
Company registration no. 3577896

Registered office
Ty Mynyddislwyn Offices, Bryn Road, Pontllanfraith, Blackwood, Gwent NP12 2BH

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About Groundwork Wales

Groundwork Wales is a charity, working within the federation of Groundwork Trusts, locally and nationally to transform lives in the UK's most disadvantaged communities.

We're passionate about creating a future where every neighbourhood is vibrant and green, every community is strong and able to shape its own destiny and no-one is held back by their background or circumstances.

We help people gain confidence and skills, get into training and work, protect and improve green spaces, lead more active lives and overcome significant challenges such as poverty, isolation, low skills and poor health.

Groundwork harnesses the passion, skills and experience of 32 employees and 7 volunteer trustees. In 2024/25 we delivered projects and programmes to a value of some £1,386m.

Groundwork Wales is registered as a company and charity. This report outlines the activity, priorities and financial position of Groundwork. More information on our work can be found in our Impact Report and on our website.

Chairman's statement

As the interim Chair of Groundwork Wales, I am pleased to present the Chairperson's Trustee Report for the past year. This report offers a comprehensive summary of our achievements and highlights the efforts and dedication of our team as we continue to fulfil our mission.

Over the course of the year, our management team and staff have consistently demonstrated resilience, adaptability, and an unwavering commitment to our organisational mission, even as we navigated a constantly evolving environment. Our focus remains on empowering communities and supporting individuals in their personal development and growth.

Through enterprise initiatives such as our Furniture Revival programme, we have been able to unlock hidden talents within underprivileged areas. These programmes have not only fostered economic growth and self-sufficiency, but they have also addressed the cycle of poverty by enhancing people's health, increasing their financial stability, and improving overall well-being.

This year, we successfully secured support from the UK Shared Prosperity Fund to further our work in Caerphilly and Blaenau Gwent. With the help of these schemes, we have delivered activities that teach community members the knowledge and skills required to grow, preserve, and use their own food at home. Our collaborative efforts with local communities, school children, and young people have helped them care for their local natural environments, learn about biodiversity, and develop valuable green skills. These initiatives are instrumental in promoting community cohesion, health, and well-being.

We are delighted with the ongoing success of our Healthy Rivers programme, which has received significant backing this year from the Esmée Fairbairn Foundation's Blue Spaces programme. Volunteers have participated in a variety of activities aimed at supporting the health of local rivers. The additional funding has enabled us to adopt a partnership approach across the Southeast valleys, strengthening eco-resilience along the region's rivers.

Our organisation is proud to play a key role in the employment hosting of the Phillipstown Forever regeneration scheme. In addition, we have continued to expand our Corporate Social Responsibility days and Wellies in the Woods courses throughout South Wales, further deepening our engagement with local communities.

As we look to the future, our commitment to our mission is as strong as ever. We recognise that there is still much to accomplish and are determined to continue adapting, innovating, and collaborating with our partners. By doing so, we aim to address emerging challenges, champion sustainability, and ensure a meaningful and lasting impact on the communities we serve.

Finally, I would like to extend my heartfelt thanks to our board of trustees, our dedicated staff, partners, and supporters for their continued commitment and support. Together, we are building a more sustainable and inclusive Wales.

Interim Chair
Phil Fiander

Governance

Registration numbers

Structure

Groundwork Wales' governing documents are its Memorandum and Articles of Association, which were last amended by written resolution in March 2016.

Board of trustees

The board of trustees sits in accordance with the Charities Act 2011, and they are also the directors of the company in accordance with the Companies Act 2006. The majority of our trustees are co-opted, with one nominated member from Caerphilly council. We seek a broad skills base on our board of trustees to enable us to benefit from specialist expertise and networks.

We take our governance responsibilities very seriously, recognising the need to ensure as much of our resource as possible is expended on delivering our charitable mission while ensuring our organisation is strong, well-managed and financially viable in the long term.

New trustees are provided with an induction to the organisation, which includes a specific focus on their role and responsibilities.

Trustees are responsible for ensuring sound organisational systems, processes and policies are maintained and embedded in the way Groundwork UK is managed. This includes policies governing our fundraising standards, our investments and our responsibilities to our staff, volunteers and beneficiaries. We pay particular attention to issues of health and safety, safeguarding, data protection and information security, each of which has a champion on our board, and maintains comprehensive business continuity arrangements. We undertake a regular skills audit of our board to ensure we have access to the expertise needed to run our organisation efficiently, effectively and safely.

Groundwork Wales' Management Team is led by the Chief Executive and includes senior staff members responsible for financial and business management, business development, communications and fundraising and programme management. This team is fully accountable to the Board and its Committees. It operates through delegated powers outlined in our financial regulations and provides regular reports on financial and operational performance and risk management.

Related party transactions

Each Groundwork Trust is an independent charity with similar aims. We operate within a group structure and Groundwork Caerphilly is a wholly owned subsidiary. Each Groundwork Trust is therefore responsible for its own management and administration, and for developing and delivering projects that meet its objectives and core purposes. Some of the appointed trustees of Groundwork Wales are also trustees of Groundwork Caerphilly. Groundwork Caerphilly is a related party to Groundwork Wales.

Groundwork Wales has considered the other disclosure requirements of the SORP and believes that there are no other related party transactions.

Our commitments

Everything Groundwork Wales does is underpinned by a set of values, which inform the way we work and behave.

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. We do not undertake widespread fundraising from the general public.

All of our fundraising is managed internally and we do not employ commercial participators or professional third-party fundraisers. The day to day management of all income generation activity is delegated to the senior management team, who are accountable to the trustees.

Groundwork Wales is not required to be bound by any regulatory scheme.

As a charity dedicated to supporting people who may be vulnerable we are committed to ensuring our operations are delivered safely and to the highest ethical standards. We have a Groundwork-wide commitment to effective safeguarding and aim to meet best practice standards in terms of management, governance and transparent reporting.

Objectives and public benefit

Groundwork Wales' charitable objectives are set down in its Memorandum of Association and date from the interpretation of charitable activities when they were drafted in 1998, as amended at annual general meetings and by written resolution. They commit Groundwork Wales to delivering and promoting regeneration and sustainable development as follows:

The objects of the Company are firstly to promote the conservation, protection and improvement of the physical and natural environment anywhere in the area; secondly to provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for those living in or working in or resorting "to Wales"; thirdly to advance public education in environmental matters and of the ways or better conserving, protecting and improving the same wheresoever; and fourthly to promote the efficiency of other charities having objects similar to the objects of the Company.

Groundwork Wales' trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the organisation's objectives and planning future activities. In particular, the trustees consider how planned activities will contribute to the charitable objectives set out above. Further details about the impact of Groundwork Wales' activities during 2024/25 can be found on the following pages.

Our work is designed to address the needs of all sections of the community and we provide equal access to our services regardless of race, gender, disability or sexual orientation.

For further details about our work visit www.groundwork.org.uk

Advisors

Auditors

HSJ Audit Limited
Severn House
Hazell Drive
Newport
NP10 8FY

Bankers

Barclays Bank Plc
South Wales Corporate Banking Team PO
Box 674
121 Queen Street
Cardiff
CF10 2XU

The Board of Trustees

The trustees (who are the directors of the company in accordance with the Companies Act 2006) on the date of approval of this report, or who served as trustees at any time during the year reported on, are as follows.

Appointed trustees	First appointed	Last appointed	Retired/resigned
Mr B Matthew	11 March 2016		
Mrs N Rees	11 March 2016		6 September 2024
Mr J D Greenidge	9 February 2018		23 May 2024
Mr P Fiander	10 December 2018		
Mr S Williams	24 June 2022		
Mr J Parkin	8 November 2022		
Mr S Edwards	23 May 2024		16 November 2025
Miss M Hunt	23 May 2025		
Mrs S Hawkins	23 May 2025		
Mr J Hunt	3 September 2025		

Chairman

John Hunt

Company Secretary

Ms K Stevenson

Chief Executive

Ms K Stevenson

Strategic report for the year ended 31 March 2025

The Board of Trustees presents its report for the year ended 31 March 2025. This includes statements about our organisation (page 9), its objectives and its governance (page 5), our financial and operational review for the year (pages 7-8), our plans for the future (pages 7) and details of our trustees, senior staff and advisers (pages 49-50).

1. Performance overview

2024/25 has been a successful year for Groundwork Wales. Grant funding has become ever more challenging to find for our work and we have invested our own high levels of reserves as a charity, to fund some environmental work – namely our Community Nature Guardians work.

This investment shows as a financial loss, but we are clearly a going concern with just under a million pounds in reserves (restricted and unrestricted) as well as providing for future needs in terms of building maintenance and refurbishment. The designated fund was reduced to £10K reflecting sufficient money to undertake remedial repairs to the building, with the boiler replacement complete, and building maintenance work complete.

The vast majority of activities set out in our business plan for the year have been delivered.

Tight control of our costs and good performance on existing programmes has enabled us to report a financial operating surplus, allowing us to continue adding gradually to reserves to meet our target of holding a year's worth of operating costs. Our social enterprise elements performed well, with trading resulting in positive financial performance, while meeting our organisational objectives.

Activity highlights

Groundwork continues to deliver a rich variety of local projects, programmes and services that are transforming lives in local communities and helping more people get involved in taking action to improve their personal circumstances and the quality of life in their area.

Last year Groundwork Wales sourced £1,000K of funding or enterprising income, with Groundwork Caerphilly sourcing funding of £420K to support our collective mission.

Groundwork Wales' activities have added value to communities as follows: -

Supporting communities through grants

Helping to equip communities with the skills, capacity and networks needed to bring about change in their local area has been core to Groundwork's mission since its inception. Groundwork Wales has developed its role as a grant manager on behalf of businesses and government, providing robust systems informed by feedback from community groups and supported 'on the ground' by a network of Groundwork Trust enablers. Groundwork Wales has contributed as follows.

- The **Tesco Community Grants** programme entered a new phase during the year with the small grant scheme supplemented by a 'flagship' programme to mark the celebration of Tesco's centenary. The programme continues to meet all of its KPIs, and receive positive feedback from Tesco colleagues and community groups. In 2024/25, Tesco gave grants to approximately 7,870 local community groups and schools in the financial year, comprising 3,936 through its Stronger Starts programme and 3,934 through its Tesco Community Grants scheme in the UK. The Stronger Starts programme is specifically for children and young people, while the Community Grants scheme is broader.

Programmes

We run a broad range of programmes, all of which benefit communities and individuals in line with our objectives, including:

- Routes2Life
- The Green Dragon Environmental Standard
- Tesco Community Grants & Stronger Starts (through Tesco Enablers)

- Greencare
- WCVA Landfill Disposal Tax Rhymney
- Community Nature Guardians Blaenau Gwent SPF
- Corporate Social Responsibility Programmes
- Dwr Cymru Water Efficiency
- Esmee Fairburn Healthy River programme
- Wellies in the Woods
- National Grid

The Groundwork Federation

We continue to take an active part as a member of the Federation of Groundwork Trusts, collaborating and learning from others where appropriate.

2. Our plans for the future

In order to ensure Groundwork Wales' activities are fully aligned with the needs and expectations of our wider federation, our forward plans are clearly and explicitly driven by Groundwork's collectively agreed strategy. This can be summarised as follows.

Groundwork 2023-2028 Strategy details how we will support communities and people to combat the climate and nature emergency, improve their health and wellbeing and gain access to learning and work opportunities.

Groundwork 2023-2028 strategic priorities are:

To help people improve their prospects by increasing confidence, skills, wellbeing and employability and helping those out of work to find jobs in the economy.

To help people create better places by making communities greener, healthier and better prepared for the future and enabling people to work together to bring about change in their local area.

To help people protect the planet by supporting people and businesses to reduce their carbon footprint, cut waste and take practical action to combat climate change.

We are developing our enterprising units, to account for depletion in the availability of grant funding for our work and are seeking to grow Green Dragon, Enterprise Centre tenancies and The Furniture Revival,

Financial performance

Groundwork Wales' net incoming resources for 2024/25 totalled £1,386 million (compared to £1,193 million in 2023/24), with unrestricted funds of £766K.

Our long-term financial strategy has clear and linked strands as follows:

- to manage our overhead costs to ensure discretionary spending is focused on supporting front line delivery and generating more income while maintaining the capacity we need to operate effectively and safely
- to achieve an operating surplus so that we can hold a level of reserves sufficient to sustain our charitable operations and strengthen our balance sheet to support commercial services and manage the risk of outcome-based funding arrangements.

3.1 Reserves

In line with this financial strategy our trustees have agreed that we should aim to hold 3 months operating costs with capacity to cover all winding down costs including its commitment to staff (circa £318,313). We believe this is appropriate for the following reasons:

- to absorb short term setbacks such as loss or delays in funding
- to provide the working capital required to finance retrospective programme funding which can result in considerable timing differences between expenditure and receipt of funds
- to cover the cost of investing in staff training and development to develop new and improved services for Groundwork

- to cover the cost of developing new services, such as improved communications, research and quality and business information systems
- to set aside funds for capital assets such as ICT equipment
- to provide funding to cover any unforeseen downturn in activity, allowing alternative activity to be generated and/or a planned down-sizing of our staff team.

The above needs for reserves have to be balanced against the following factors:

- the need to be seen as a responsible charity by the Charity Commission, our partners and funders, our member Trusts within Groundwork and the communities we serve
- the need to avoid the creation or retention of unnecessary surpluses for which there is no future planned requirement or that bear no relation to our charitable aims.

Our level of free liquid reserves at the end of 2024/25 stands at £724k. Our general fund reserve does not include designated funds, which have been set aside for specific purposes, or restricted funds, which represent advance payments by funders held by Groundwork Wales pending completion of project work by Groundwork Trusts and other delivery partners.

Unrestricted reserves total £766k (2023/24 £824k).

Restricted funds can only be used in accordance with agreements reached with funders relating to programmes of work and therefore do not form part of the general reserves that are under the control of the trustees. These funds will all be distributed during 2024/25. The future movements on any such restricted funds reflect the long-term nature of Groundwork Wales programme activity and in no way reflects on the organisation's financial efficiency or performance.

The charity's subsidiary Groundwork Caerphilly reported an overall net deficit of £46,462 (2023/24 Surplus £23,036) as detailed in note 10.

3.2 Investments

The majority of the funds obtained by Groundwork Wales are provided against specified projects for particular needs and are therefore of a restricted nature.

We do not currently invest monies.

3.3 Grant making policy

Groundwork Wales delivers its mission primarily by distributing grants to other delivery partners and to community groups. These funds are considered to be performance related grants and are recognised in these financial statements to the extent that the projects which they are funding have been completed. All grant programmes have specific guidelines, criteria and priorities with a formal process of approval.

3.4 Principal funding sources

Our major sources of funding for the group during the last year are set out below.

- Private Sector funding – £351K (£220k in 2023/24)
This includes funds provided by businesses, trusts and foundations, most notably £41k, provided by Tesco to enable community groups to apply through the Community Grant programme. Other major funders during 2024/25 included Caerphilly CBC & Blaenau Gwent CBC.
- Public sector funding - £225K (£285k in 2023/24)
This includes funding secured to deliver programmes and services on behalf of government departments, public bodies and lottery distributors.

3.5 Expenditure on charitable objectives

In line with the objectives set out in our Groundwork 2020 strategy and the Groundwork Wales business plan, our expenditure in the year was directed towards the provision of resources to support frontline delivery and ensure our organisation delivers effectively and safely.

3.6 Key Performance Indicators

Data against a number of key performance indicators is presented to our trustees on a quarterly basis to measure our success in profile raising, income generation, programme management and continual improvement. These KPIs are tracked on a rolling basis and compared to target levels of performance outlined in our annual business plan.

Monthly management accounts track progress against our financial targets and reforecasts to the year-end are made quarterly. A key performance indicator is the amount of income secured as a percentage of forecast salaries and operating costs. This informs year-end forecasts based on prior years' experience.

Performance during 2024/25 has been positive.

3.7 Sustainable Development Report

Groundwork's charitable mission is to promote sustainable development – helping communities and individuals develop the understanding and capability to take action and make choices that deliver social equity and economic prosperity while recognising the need to live within the earth's finite natural resources. In order to have credibility as an organisation we need to demonstrate that the principles of sustainable development underpin the way we go about our work. Our sustainable development policy commits us to reporting on how these principles are integral to the way we plan and manage our operations, support our employees and utilise our resources.

- **Areas of progress**

As a team, we continue to focus on ensuring that our staff adopt more sustainable practices in the workplace, both through ongoing reinforcement of messages around electricity use and waste but also through dedicated campaigns to promote sustainable travel. We prioritise ethical suppliers in our purchasing arrangements for utilities, catering, cleaning and promotional materials. As a small team of people, we recognise the biggest impact we can make lies in the programmes we manage and the campaigns we run. Our focus is on securing funds that can help people and groups make a positive impact on the environment, but we know we can do more to provide support to all those benefiting from our programmes to act in a more environmentally responsible way. As the whole of Groundwork refreshes its strategy for the next five years we will press for a stronger focus on developing programmes and services that help communities tackle waste and climate change.

3.8 Principal risks and uncertainties

Our board of trustees understands its responsibilities under the Charity Commission's Statement of Recommended Practice (SORP) for ensuring that the major risks to which the charity is exposed are identified and reviewed, and that there are systems in place to mitigate them.

Trustees regularly review the development and operation of our risk management process and receive quarterly updates on actions put in place to mitigate the most significant ongoing risks. Risks are identified by our staff teams and reviewed on a regular basis by our management team. All of Groundwork Wales' major programmes are managed on a risk basis with individual risk registers used both as management and reporting tools. We have a comprehensive business recovery plan in place, which is designed to ensure continuity of Groundwork Wales operations in the event of a crisis or disaster situation and which has been tested through scenarios in each team.

The major areas of potential risk, for which we have active mitigation strategies in place, are as follows:

- Slow recovery in financial climate, inability to secure income and threat to bottom line and business viability
- Increased competition / Diminishing Grant funds
- Lower Business Viability/Pressure on reserves - Significant reduction in core funding WG, Significant reduction in funding Local Authorities
- Covid-19 Recovery

Groundwork Wales recognises that risk management is an essential part of good business practice and an effective mechanism of good governance. The Board is committed to ensuring that risk management processes are embedded throughout the organisation, and that these processes are used to help identify at an early stage issues that affect performance or the achievement of our purpose.

However, trustees also recognise that our process can only seek to manage rather than eliminate risk, and that it should therefore be only one of the tools that the Board uses to provide effective control and management of the administration of the charity.

3.9 Financial instruments

Groundwork Wales's financial risk management objective is broadly to seek to make neither profit nor loss from exposure to currency or interest rate risks. Our policy is to finance fixed assets and working capital through retained reserves.

4 Statement of trustees' responsibilities

The trustees, who are also the directors of Groundwork Wales for the purposes of company law, are responsible for preparing the Annual Report and 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;
- observe the methods and principles of the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent, and
- 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 charity's 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.

Signed on behalf of the Board of trustees

Professor John Hunt

Professor John Hunt (Dec 3, 2025 12:50:08 GMT)

Chairman

03/12/2025

Groundwork Wales

Independent Auditor's Report to the Members of Groundwork Wales

Opinion

We have audited the financial statements of Groundwork Wales (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 March 2025, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, , Balance Sheet, Consolidated Statement of Cash Flows, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, 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.

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 responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating 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's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Groundwork Wales

Independent Auditor's Report to the Members of Groundwork Wales

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the and for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the and have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 misstatements in the and the .

We have nothing to report in respect of the following matters where 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 trustees 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 (set out on page), the trustees 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 determine 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Groundwork Wales

Independent Auditor's Report to the Members of Groundwork Wales

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework.

We communicated identified fraud risks throughout the engagement team and remained alert throughout the engagement process for any indications of fraud.

As required by the auditing standards, we identify and assess the risk of material misstatement of financial statements, whether due to fraud or error, in particular revenue recognition and management override of control. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of material misstatement and non-compliance with laws and regulations, including fraud, we designed procedures which included;

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing supporting documentation to assess compliance with applicable laws and regulations;
- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual account combinations;
- Assessing whether revenue has been accounted for in the correct period and the existence of revenue at the cut off date based on the adopted accounting policy for revenue.

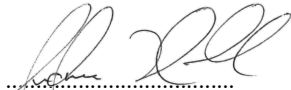
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Groundwork Wales

Independent Auditor's Report to the Members of Groundwork Wales

Use of our report

This report is made solely to the charitable parent company's trustees, 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 group's trustees 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 parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Mr Andrew Hill FCCA ACA DChA BFP (Senior Statutory Auditor)
For and on behalf of HSJ Audit Limited, Statutory Auditor

Severn House
Hazell Drive
Newport
South Wales
NP10 8FY

Date: 03/12/2025
.....

Groundwork Wales

Consolidated Statement of Financial Activities for the Year Ended 31 March 2025 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2025 £
Income and Endowments from:				
Donations and legacies	3	8,466	-	8,466
Charitable activities	4	937,969	439,148	1,377,117
Other income		572	-	572
Total income		<u>947,007</u>	<u>439,148</u>	<u>1,386,155</u>
Expenditure on:				
Charitable activities	5	<u>(1,003,803)</u>	<u>(453,351)</u>	<u>(1,457,154)</u>
Total expenditure		<u>(1,003,803)</u>	<u>(453,351)</u>	<u>(1,457,154)</u>
Net expenditure		<u>(56,796)</u>	<u>(14,203)</u>	<u>(70,999)</u>
Net movement in funds		(56,796)	(14,203)	(70,999)
Reconciliation of funds				
Total funds brought forward		<u>823,638</u>	<u>168,205</u>	<u>991,843</u>
Total funds carried forward	17	<u><u>766,842</u></u>	<u><u>154,002</u></u>	<u><u>920,844</u></u>

The notes on pages 11 to 31 form an integral part of these financial statements.

Groundwork Wales

Consolidated Statement of Financial Activities for the Year Ended 31 March 2025 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
Income and Endowments from:				
Donations and legacies	3	16,567	-	16,567
Charitable activities	4	852,860	323,711	1,176,571
Total income		<u>869,427</u>	<u>323,711</u>	<u>1,193,138</u>
Expenditure on:				
Charitable activities	5	(941,128)	(320,716)	(1,261,844)
Total expenditure		<u>(941,128)</u>	<u>(320,716)</u>	<u>(1,261,844)</u>
Net (expenditure)/income		(71,701)	2,995	(68,706)
Transfers between funds		19,001	(19,001)	-
Net movement in funds		(52,700)	(16,006)	(68,706)
Reconciliation of funds				
Total funds brought forward		876,338	184,211	1,060,549
Total funds carried forward	17	<u><u>823,638</u></u>	<u><u>168,205</u></u>	<u><u>991,843</u></u>

All of the group's activities derive from continuing operations during the above two periods.

The funds breakdown for 2024 is shown in note 17.

The notes on pages 11 to 31 form an integral part of these financial statements.

Groundwork Wales

(Registration number: 03577896) Consolidated Balance Sheet as at 31 March 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	10	170,363	183,380
Investments		100	-
		170,463	183,380
Current assets			
Stocks	12	10,873	10,521
Debtors	13	201,233	184,619
Cash at bank and in hand	14	767,574	814,459
		979,680	1,009,599
Creditors: Amounts falling due within one year	15	(229,299)	(201,136)
Net current assets		750,381	808,463
Net assets		920,844	991,843
Funds of the group:			
Restricted income funds			
Restricted funds		154,002	168,205
Unrestricted income funds			
Unrestricted funds		766,842	823,638
Total funds	17	920,844	991,843

The financial statements on pages 5 to 31 were approved by the trustees, and authorised for issue on 10 December 2025 and signed on their behalf by:

Professor John Hunt

Professor John Hunt

John Hunt
Trustee

The notes on pages 11 to 31 form an integral part of these financial statements.

Groundwork Wales

(Registration number: 03577896)
Balance Sheet as at 31 March 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	10	27,993	29,944
Current assets			
Stocks	12	56	56
Debtors	13	528,704	212,981
Cash at bank and in hand	14	259,390	583,188
		788,150	796,225
Creditors: Amounts falling due within one year	15	(182,418)	(167,907)
Net current assets		605,732	628,318
Net assets		633,725	658,262
Funds of the charity:			
Restricted income funds			
Restricted funds	17	14,125	14,125
Unrestricted income funds			
Unrestricted funds		619,600	644,137
Total funds	17	633,725	658,262

The financial statements on pages 5 to 31 were approved by the trustees, and authorised for issue on 10 December 2025 and signed on their behalf by:

Professor John Hunt
Professor John Hunt (Dec 3, 2025 12:50:08 GMT)
J Hunt
 Trustee

The notes on pages 11 to 31 form an integral part of these financial statements.

Groundwork Wales

Consolidated Statement of Cash Flows for the Year Ended 31 March 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash expenditure		(70,999)	(68,706)
Adjustments to cash flows from non-cash items			
Depreciation		26,675	26,257
Amortisation		-	1,281
		(44,324)	(41,168)
Working capital adjustments			
Increase in stocks	12	(352)	(1,489)
(Increase)/decrease in debtors	13	(16,614)	373,622
Decrease in creditors	15	(346)	(368,560)
Increase in deferred income		28,410	-
		(33,226)	(37,595)
Net cash flows from operating activities			
Cash flows from investing activities			
Purchase of tangible fixed assets	10	(13,659)	-
		(46,885)	(37,595)
Net decrease in cash and cash equivalents			
Cash and cash equivalents at 1 April		814,459	852,054
Cash and cash equivalents at 31 March		767,574	814,459

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 11 to 31 form an integral part of these financial statements.

Groundwork Wales

Statement of Cash Flows for the Year Ended 31 March 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash expenditure		(24,536)	(91,744)
Adjustments to cash flows from non-cash items			
Depreciation		13,002	10,740
		<u>(11,534)</u>	<u>(81,004)</u>
Working capital adjustments			
Increase in stocks	12	-	(56)
(Increase)/decrease in debtors	13	(315,723)	324,437
(Decrease)/increase in creditors	15	(11,177)	30,033
Increase/(decrease) in deferred income		25,686	(52,831)
		<u>(312,748)</u>	<u>220,579</u>
Net cash flows from operating activities		(312,748)	220,579
Cash flows from investing activities			
Purchase of tangible fixed assets	10	(11,050)	-
		<u>(11,050)</u>	<u>-</u>
Net (decrease)/increase in cash and cash equivalents		(323,798)	220,579
Cash and cash equivalents at 1 April		583,188	362,609
		<u>583,188</u>	<u>362,609</u>
Cash and cash equivalents at 31 March		<u>259,390</u>	<u>583,188</u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 11 to 31 form an integral part of these financial statements.

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2025

1 Charity status

The charity is limited by guarantee, incorporated in Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Ty Mynyddislwyn Offices

Bryn Road

Pontllanfraith

Blackwood

NP12 2BH

These financial statements were authorised for issue by the trustees on 10 December 2025.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (Effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

Basis of preparation

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest£.

The accounts have been prepared under the historical cost convention.

No separate cash flow statement has been presented for the charity itself as the charity has taken advantage of the exemptions in paragraph 1.12 of FRS 102.

Figures contained in the financial statements have been rounded to the nearest pound.

Basis of consolidation

The financial statements represent the consolidated position of the group. This comprises Groundwork Caerphilly and GC Enterprises (Wales) Limited. Groundwork Caerphilly is a subsidiary of Groundwork Wales and Groundwork Caerphilly own 100% of the share capital of GC Enterprises (Wales) Limited, which is now dormant.

the financial statements are consolidated on a line-by-line basis and cover the consolidated financial position and transactions of all companies controlled by the charity from the date of acquisition. All intra group transactions are eliminated on consolidation.

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2025

Going concern

The charity reported a net unrestricted outflow of (£52,700) (after transfers between reserves) for the year. The charity has sufficient free reserves and is monitoring results on a frequent basis. The trustees are of the view that on this basis the charity is a going concern and there are no material uncertainties about the charity's ability to continue as a going concern.

Judgements

In the application of charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Income and endowments

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Income and grants are included in incoming resources when receivable, except as follows: -

- When donors specify that the grants must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre conditions for use have been met.
- When donors specify that grants are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Other income

Grants that relate to capital expenditure on specific projects are treated as restricted funds that are charged to the income and expenditure account at acquisition. This treatment is due to the nature of the funding as the grants are received to provide equipment to specifically run the projects and services.

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2025

Expenditure

Expenditure incurred by the charity in the year has been split between restricted and unrestricted funds. Costs have been analysed between direct charitable expenditure, fundraising and publicity and the administration and management of the charity. Expenditure relating directly to a cost category has been charged to that account. Expenditure, which includes more than one cost category, has been apportioned on a reasonable, justifiable and consistent basis to the categories involved. Committed expenditure that has yet to be invoiced is, in line with best accounting practice, not recognised in these accounts. It is intended that such expenditure will be funded by future income flows.

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure has been allocated to management and administration of the trust, where it relates to the management of the trust's assets, organisational administration and compliance with constitutional and statutory requirements.

Resources expended are recognised in the period in which they are incurred.

Charitable activities

This includes all expenditure directly related to the aims of the charity as follows:

- To promote the conservation, protection and improvement of the physical and natural environment.
- To provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for those living, working and visiting in the area.
- To advance public education in environmental matters and in the ways of better conserving, protecting and improving the environment.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These costs include the costs of governance arrangements, which relate to the general running of Groundwork Wales as opposed to the direct management functions inherent in generating funds, service delivery and programme of project work. These include such items as external audit, legal advice for trustees and costs associated with constitutional and statutory requirements.

Taxation

As a registered charity, Groundwork Wales is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

Tangible fixed assets

Individual fixed assets costing £500.00 or more are initially recorded at cost.

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2025

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Computers	33.33% on cost
Office Equipment	20% on cost
Plant and Machinery	20% on cost
Buildings	2.5% on cost
Land	0% on cost
Motor Vehicles	20% on cost

Business combinations

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the group. All intra-group transactions, balances, income and expenses are eliminated on consolidation. In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations effected prior to the date of transition.

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Stock

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based on the estimated selling price after taking into account all further costs and excess stocks that are slow moving.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2025

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted funds are available for use at the discretion of the directors in furtherance of the Trust's general objectives.

Designated funds are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds are funds subject to specific restrictive conditions imposed by the terms of the grant or funding body.

Pensions and other post retirement obligations

The charity operates a defined contribution scheme for the benefit of its employees. The assets of the scheme are held separately from those of the charity. Contributions payable are charged to the profit and loss account in the year they are payable and are charged against unrestricted funds.

Financial instruments

Classification

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Recognition and measurement

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2025

3 Income from donations and legacies

	Unrestricted funds General £	Total 2025 £	Total 2024 £
Donations and legacies;			
Donations from individuals	8,466	8,466	16,567
	<u>8,466</u>	<u>8,466</u>	<u>16,567</u>

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2025 £
Welsh Assembly	-	235,000	235,000
Public Agencies and National Charities	260,515	12,029	272,544
Local Authority	2,508	139,918	142,426
Private Sector	254,496	52,201	306,697
Grants	40,362	-	40,362
Environment Centre	50,381	-	50,381
Furniture Revival	329,564	-	329,564
Other Income	143	-	143
	<u>937,969</u>	<u>439,148</u>	<u>1,377,117</u>

	Unrestricted funds General £	Restricted funds £	Total 2024 £
Welsh Assembly	-	210,000	210,000
Public Agencies and National Charities	280,398	4,181	284,579
Local Authority	16,141	99,367	115,508
Private Sector	219,587	-	219,587
Grants	12,131	10,163	22,294
Environment Centre	38,208	-	38,208
Furniture Revival	284,970	-	284,970
Other Income	1,425	-	1,425
	<u>852,860</u>	<u>323,711</u>	<u>1,176,571</u>

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2025

5 Expenditure on charitable activities

	Activity undertaken directly £	Activity support costs £	2025 £	2024 £
Staff costs	701,225	147,032	848,257	749,498
Volunteer costs	4,834	-	4,834	3,669
Material & direct purchases	126,576	-	126,576	87,715
Subcontractors & consultancy	120,138	-	120,138	119,924
Project Travel and Transport	40,778	-	40,778	38,716
Project Publicity	10,741	-	10,741	2,967
Trainee Allowances and Expenses	-	-	-	450
Professional Fees	65,738	-	65,738	78,318
Administration & Sundry	1,559	6,970	8,529	7,736
Communications & IT	13,099	15,334	28,433	22,978
Motor, Travel & Expenses	191	-	191	343
Recruitment & Training	13,155	571	13,726	6,423
Premises Expenses	93,557	24,093	117,650	87,150
Depreciation	26,672	-	26,672	27,332
Governance	-	44,891	44,891	28,625
	<u>1,218,263</u>	<u>238,891</u>	<u>1,457,154</u>	<u>1,261,844</u>

6 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2025 £	2024 £
Operating leases - other assets	1,690	1,690
Audit fees	8,063	8,750
Depreciation of fixed assets	26,672	26,051
Amortisation of goodwill	-	<u>1,281</u>

7 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the group during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2025

8 Staff costs

The aggregate payroll costs were as follows:

	2025 £	2024 £
Staff costs during the year were:		
Wages and salaries	750,934	678,852
Social security costs	80,617	54,023
Pension costs	16,705	16,623
	<u>848,256</u>	<u>749,498</u>

The monthly average number of persons (including senior management / leadership team) employed by the group during the year expressed as full time equivalents was as follows:

	2025 No	2024 No
Direct charitable	25	21
Management and admin	7	7
	<u>32</u>	<u>28</u>

The number of employees whose emoluments fell within the following bands was:

	2025 No	2024 No
£60,001 - £70,000	<u>1</u>	<u>1</u>

The total employee benefits of the key management personnel of the group were £203,277 (2024 - £201,048).

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2025

9 Taxation

The group is a registered charity and is therefore exempt from taxation.

10 Tangible fixed assets

Group

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2024	150,000	838	103,526	254,364
Additions	-	13,659	-	13,659
At 31 March 2025	<u>150,000</u>	<u>14,497</u>	<u>103,526</u>	<u>268,023</u>
Depreciation				
At 1 April 2024	24,375	544	46,066	70,985
Charge for the year	1,875	4,095	20,705	26,675
At 31 March 2025	<u>26,250</u>	<u>4,639</u>	<u>66,771</u>	<u>97,660</u>
Net book value				
At 31 March 2025	<u>123,750</u>	<u>9,858</u>	<u>36,755</u>	<u>170,363</u>
At 31 March 2024	<u>125,625</u>	<u>294</u>	<u>57,460</u>	<u>183,379</u>

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2025

Charity

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2024	150,000	838	103,526	254,364
Additions	-	13,659	-	13,659
At 31 March 2025	<u>150,000</u>	<u>14,497</u>	<u>103,526</u>	<u>268,023</u>
Depreciation				
At 1 April 2024	24,375	544	46,066	70,985
Charge for the year	1,875	4,095	20,705	26,675
At 31 March 2025	<u>26,250</u>	<u>4,639</u>	<u>66,771</u>	<u>97,660</u>
Net book value				
At 31 March 2025	<u>123,750</u>	<u>9,858</u>	<u>36,755</u>	<u>170,363</u>
At 31 March 2024	<u>125,625</u>	<u>294</u>	<u>57,460</u>	<u>183,379</u>

11 Fixed asset investments

Group

Details of undertakings

Details of the investments in which the group holds 20% or more of the nominal value of any memberships or share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and membership / shares held		Principal activity
			2025	2024	
Subsidiary undertakings					
Groundwork Caerphilly	England & Wales		0%	100%	As noted below
GC Enterprises (Wales) Limited	England & Wales	Ordinary	0%	100%	That of a dormant company

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2025

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 April 2024	100	100
At 31 March 2025	100	100
Net book value		
At 31 March 2025	100	100
At 31 March 2024	100	100

12 Stock

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Stocks	10,873	10,521	56	56

13 Debtors

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Trade debtors	164,862	128,535	142,429	113,519
Due from group undertakings	-	-	361,418	59,408
Prepayments	36,114	28,253	24,600	13,823
Accrued income	257	27,829	257	26,229
Other debtors	-	2	-	2
	201,233	184,619	528,704	212,981

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2025

14 Cash and cash equivalents

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Cash on hand	508	77	408	27
Cash at bank	767,066	814,382	258,982	583,161
	<u>767,574</u>	<u>814,459</u>	<u>259,390</u>	<u>583,188</u>

15 Creditors: amounts falling due within one year

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Trade creditors	23,326	49,822	19,002	47,400
Other taxation and social security	14,321	10,319	11,468	10,319
VAT grant repayable	17,031	13,635	12,149	10,475
Other creditors	4,661	2,002	3,802	2,002
Accruals	123,176	106,984	96,618	84,018
Deferred income	46,784	18,374	39,379	13,693
	<u>229,299</u>	<u>201,136</u>	<u>182,418</u>	<u>167,907</u>

16 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £16,705 (2024 - £16,623).

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2025

17 Funds

Group

Group	Balance at 1 April 2024 £	Incoming resources £	Resources expended £	Balance at 31 March 2025 £
Unrestricted funds				
<i>General</i>				
General funds	566,501	562,277	(560,226)	568,552
General funds - Groundwork Caerphilly	133,315	384,730	(381,526)	136,519
	<u>699,816</u>	<u>947,007</u>	<u>(941,752)</u>	<u>705,071</u>
<i>Designated</i>				
Building Maintenance Costs	741	-	-	741
Cardiff City Council Donation	9,061	-	-	9,061
Marketing	959	-	(328)	631
2 x Van Dep	14,271	-	(9,319)	4,952
Translation	4,829	-	(19)	4,810
Funds received for 24/25	36,076	-	(36,076)	-
Laptop Depreciation	11,700	-	(3,502)	8,198
Building maintenance costs	46,185	-	(35,463)	10,722
	<u>123,822</u>	<u>-</u>	<u>(84,707)</u>	<u>39,115</u>
Total unrestricted funds	<u>823,638</u>	<u>947,007</u>	<u>(1,026,459)</u>	<u>744,186</u>
Restricted funds				
ACT (Traineeships)	594	-	-	594
Groundwork Wellbeing (WG)	1,363	-	-	1,363
NatWest Enterprise Officer	228	210,000	(210,000)	228
Nurture, Equip, Thrive	2,667	-	-	2,667
Postcode Lottery (R2L)	1,900	-	-	1,900
Routes to Life	506	32,254	(32,254)	506
Tesco Play	6,652	-	-	6,652
WCVA - Landfill Disposals Tax Communities Scheme Grant	-	12,029	(12,029)	-
Welsh Government - ENRaW	215	-	-	215
Routes 2 Life: Food for Growth Caerphilly SPF	-	39,577	(39,577)	-
Ty Mynyddislwyn Environment Centre	125,622	-	(1,875)	123,747
Circular Economy Fund	27,458	-	11,328	38,786
Tesco Community Grant	1,000	-	(1,000)	-
Blaenau Gwent SPF	-	68,087	(68,087)	-
Future Steps Development Grant	-	25,000	(25,000)	-

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2025

	Balance at 1 April 2024 £	Incoming resources £	Resources expended £	Balance at 31 March 2025 £
Exmee Fairburn Healthy rivers South East Wales	-	52,201	(52,201)	-
Total restricted funds	<u>168,205</u>	<u>439,148</u>	<u>(430,695)</u>	<u>176,658</u>
Total funds	<u>991,843</u>	<u>1,386,155</u>	<u>(1,457,154)</u>	<u>920,844</u>

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2025

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
Unrestricted funds					
<i>General</i>					
General funds	617,249	559,180	(586,643)	(23,285)	566,501
General funds - Groundwork Caerphilly	70,755	359,073	(255,722)	(40,791)	133,315
	<u>688,004</u>	<u>918,253</u>	<u>(842,365)</u>	<u>(64,076)</u>	<u>699,816</u>
<i>Designated</i>					
Building Maintenance Costs Cardiff City Council Donation	741	-	-	-	741
Marketing	13,080	-	(4,019)	-	9,061
2 x Van Dep	1,170	-	(211)	-	959
BD Consultancy	19,571	-	(5,300)	-	14,271
Translation	2,000	-	-	(2,000)	-
Salaries & Overhead 2023/23	4,829	-	-	-	4,829
Funds received for 24/25	77,240	-	(73,750)	(3,490)	-
Laptop Depreciation	-	-	-	36,076	36,076
Building maintenance costs	-	-	-	11,700	11,700
	<u>69,703</u>	<u>-</u>	<u>(64,309)</u>	<u>40,791</u>	<u>46,185</u>
	<u>188,334</u>	<u>-</u>	<u>(147,589)</u>	<u>83,077</u>	<u>123,822</u>
Total unrestricted funds	<u>876,338</u>	<u>918,253</u>	<u>(989,954)</u>	<u>19,001</u>	<u>823,638</u>
Restricted funds					
ACT (Traineeships)	594	-	-	-	594
Groundwork Wellbeing (WG)	1,363	-	-	-	1,363
NatWest Enterprise Officer	228	-	-	-	228
Nurture, Equip, Thrive	2,667	19,001	-	(19,001)	2,667
Postcode Lottery (R2L)	1,900	-	-	-	1,900
Regeneration (WG)	-	210,000	(210,000)	-	-
Routes to Life	506	34,193	(34,193)	-	506
Tesco Play	6,652	-	-	-	6,652
WCVA - Landfill Disposals Tax Communities Scheme Grant	-	4,181	(4,181)	-	-
Welsh Government - ENRaW	215	-	-	-	215
Routes 2 Life: Food for Growth Caerphilly SPF	-	16,561	(16,561)	-	-

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2025

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
Community Nature Guardians Blaenau Gwent SPF	-	29,612	(29,612)	-	-
Ty Mynyddislwyn Environment Centre	127,500	-	(1,878)	-	125,622
Garfield Weston	2,431	-	(2,431)	-	-
Windpower Community Fund	172	-	(172)	-	-
Circular Economy Fund	39,983	-	(12,525)	-	27,458
Pen Bryn Oer	-	6,663	(6,663)	-	-
Quaker Oats	-	1,000	(1,000)	-	-
Tesco Community Grant	-	2,500	(1,500)	-	1,000
Total restricted funds	<u>184,211</u>	<u>323,711</u>	<u>(320,716)</u>	<u>(19,001)</u>	<u>168,205</u>
Total funds	<u><u>1,060,549</u></u>	<u><u>1,241,964</u></u>	<u><u>(1,310,670)</u></u>	<u><u>-</u></u>	<u><u>991,843</u></u>

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2025

Charity	Balance at 1 April 2024 £	Incoming resources £	Resources expended £	Balance at 31 March 2025 £
Unrestricted funds				
<i>General</i>				
General funds	566,500	560,910	(536,203)	591,207
<i>Designated</i>				
Building Maintenance Costs	741	-	-	741
Cardiff City Council Donation	9,061	-	-	9,061
Marketing	959	-	(328)	631
2 x Van Dep	14,271	-	(9,319)	4,952
Translation	4,829	-	(19)	4,810
Funds received for 24/25	36,076	-	(36,076)	-
Laptop depreciation	11,700	-	(3,502)	8,198
	77,637	-	(49,244)	28,393
Total unrestricted funds	644,137	560,910	(585,447)	619,600
Restricted funds				
ACT (Traineeships)	594	-	-	594
Groundwork Wellbeing (WG)	1,363	-	-	1,363
NatWest Enterprise Officer	228	210,000	(210,000)	228
Nurture, Equip, Thrive	2,667	-	-	2,667
Postcode Lottery (R2L)	1,900	-	-	1,900
Route to Life	506	32,254	(32,254)	506
Tesco Play	6,652	-	-	6,652
WCVA - Landfill Disposals Tax Communities Scheme Grant	-	12,029	(12,029)	-
Welsh Government - ENRaW	215	-	-	215
Route 2 Life: Food for Growth Caerphilly SPF	-	39,577	(39,577)	-
Community Nature Guardians Blaenau Gwent SPF	-	68,087	(68,087)	-
Future Steps Development Grant	-	25,000	(25,000)	-
Esmee Fairbairn Healthy Rivers: South east Wales	-	52,201	(52,201)	-
	14,125	439,148	(439,148)	14,125
Total restricted funds	14,125	439,148	(439,148)	14,125
Total funds	658,262	1,000,058	(1,024,595)	633,725

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2025

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
Unrestricted funds					
<i>General</i>					
General funds	617,248	559,180	(586,643)	(23,285)	566,500
<i>Designated</i>					
Building Maintenance Costs Cardiff City Council	741	-	-	-	741
Donation	13,080	-	(4,019)	-	9,061
Marketing	1,170	-	(211)	-	959
2 x Van Dep	19,571	-	(5,300)	-	14,271
BD Consultancy	2,000	-	-	(2,000)	-
Translation	4,829	-	-	-	4,829
Salaries & Overhead 2023/24	77,240	-	(73,750)	(3,490)	-
Funds received for 24/25	-	-	-	36,076	36,076
Laptop depreciation	-	-	-	11,700	11,700
	<u>118,631</u>	<u>-</u>	<u>(83,280)</u>	<u>42,286</u>	<u>77,637</u>
Total unrestricted funds	<u>735,879</u>	<u>559,180</u>	<u>(669,923)</u>	<u>19,001</u>	<u>644,137</u>
Restricted funds					
ACT (Traineeships)	594	-	-	-	594
Groundwork Wellbeing (WG)	1,363	-	-	-	1,363
NatWest Enterprise Officer	228	-	-	-	228
Nurture, Equip, Thrive	2,667	19,001	-	(19,001)	2,667
Postcode Lottery (R2L)	1,900	-	-	-	1,900
Regeneration (WG)	-	210,000	(210,000)	-	-
Route to Life	506	34,193	(34,193)	-	506
Tesco Play	6,652	-	-	-	6,652
WCVA - Landfill Disposals Tax Communities Scheme Grant	-	4,181	(4,181)	-	-
Welsh Government - ENRaW	215	-	-	-	215
Route 2 Life: Food for Growth Caerphilly SPF	-	16,561	(16,561)	-	-
Community Nature Guardians Blaenau Gwent SPF	-	29,612	(29,612)	-	-
	<u>14,125</u>	<u>313,548</u>	<u>(294,547)</u>	<u>(19,001)</u>	<u>14,125</u>
Total restricted funds	<u>14,125</u>	<u>313,548</u>	<u>(294,547)</u>	<u>(19,001)</u>	<u>14,125</u>
Total funds	<u>750,004</u>	<u>872,728</u>	<u>(964,470)</u>	<u>-</u>	<u>658,262</u>

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2025

The specific purposes for which the funds are to be applied are as follows:

ACT Traineeships - funding provided towards providing traineeships.

Groundwork Wellbeing (WG) Heritage Fund - Funding a broad range of projects that connect people and communities to the national, regional and local heritage of the UK.

NatWest Enterprise Officer - funding to employ a member of staff to offer financial literacy skills to beneficiaries.

Nurture, Equip, Thrive - This is a European funded programme which supports people to undertake health and wellbeing activity when they are off work sick, and also helps organisations to help their workforces to stay healthy and fit at work, preventing illness and supporting wellbeing.

Postcode Lottery (R2L) - The aim of the fund is to support smaller charities and good causes to make a difference to their community for the benefit of people and the planet.

Regeneration [WG] - This core funding continues to support our organisation with a focus on town centre work.

Routes to life - We continue to run our horticultural project; providing placements for a wide range of clients and volunteers.

Welsh Government - ENRaW - Our We Care programme enables us to provide opportunities for people to participate in Green Teams, Volunteering and Education whilst also achieving accreditation. The Programme supports the biodiversity and community ownership of green spaces and we work in partnership with Groundwork North Wales.

WCVA - Landfill Disposals Tax Communities Scheme Grant - Aberbeeg -To support Aberbeeg Community Centre to make better use of its green space, including installation of seating area and planting of fruit trees. Funding term: 1 year from pt December 2020.

Ty Myriddislwyn Environment Centre - This represents funding provided to purchase the property under the capital asset transfer scheme. The depreciation cost is shown in resources expended.

Circular Economy Fund "- The fund was open to local authorities to help Wales Shift towards a circular economy driving further increases in recycling and decarbonisation. In 2021/22, this included the donation of two vehicles to the charity, The depreciation cost is shown in resources expended.

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2025

18 Analysis of net assets between funds

Group

	Unrestricted funds		Restricted funds	Total funds at 31 March 2025
	General	Designated		
	£	£	£	£
Tangible fixed assets	30,486	-	139,877	170,363
Fixed asset investments	100	-	-	100
Current assets	926,440	39,115	14,125	979,680
Current liabilities	(229,299)	-	-	(229,299)
Total net assets	727,727	39,115	154,002	920,844

	Unrestricted funds		Restricted funds	Total funds at 31 March 2024
	General	Designated		
	£	£	£	£
Tangible fixed assets	29,944	-	153,436	183,380
Current assets	871,007	123,822	14,770	1,009,599
Current liabilities	(201,136)	-	-	(201,136)
Total net assets	699,815	123,822	168,206	991,843

Charity

	Unrestricted funds		Restricted funds	Total funds at 31 March 2025
	General	Designated		
	£	£	£	£
Tangible fixed assets	27,993	-	-	27,993
Current assets	745,632	28,393	14,125	788,150
Current liabilities	(182,418)	-	-	(182,418)
Total net assets	591,207	28,393	14,125	633,725

	Unrestricted funds		Restricted funds	Total funds at 31 March 2024
	General	Designated		
	£	£	£	£
Tangible fixed assets	29,944	-	-	29,944
Current assets	704,463	77,637	14,125	796,225
Current liabilities	(167,907)	-	-	(167,907)
Total net assets	566,500	77,637	14,125	658,262

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2025

19 Analysis of net funds

Group

	At 1 April 2024	Financing cash flows	At 31 March 2025
	£	£	£
Cash at bank and in hand	<u>814,459</u>	<u>(46,885)</u>	<u>767,574</u>
Net debt	<u>814,459</u>	<u>(46,885)</u>	<u>767,574</u>
	At 1 April 2023	Financing cash flows	At 31 March 2024
	£	£	£
Cash at bank and in hand	<u>852,054</u>	<u>(37,595)</u>	<u>814,459</u>
Net debt	<u>852,054</u>	<u>(37,595)</u>	<u>814,459</u>






5.i. Groundwork Wales - 2025 Report Financial Statements

Final Audit Report

2025-12-03

Created:	2025-12-01
By:	Katy Greco (wales.info@groundwork.org.uk)
Status:	Signed
Transaction ID:	CBJCHBCAABAAuFCQbuy3qZoSrVVPaatquiPMv2Ilj8sp

"5.i. Groundwork Wales - 2025 Report Financial Statements" History

-  Document created by Katy Greco (wales.info@groundwork.org.uk)
2025-12-01 - 12:24:39 PM GMT
-  Document emailed to Professor John Hunt (john@geoclimatica.com) for signature
2025-12-01 - 12:24:46 PM GMT
-  Email viewed by Professor John Hunt (john@geoclimatica.com)
2025-12-03 - 12:49:18 PM GMT
-  Document e-signed by Professor John Hunt (john@geoclimatica.com)
Signature Date: 2025-12-03 - 12:50:08 PM GMT - Time Source: server
-  Agreement completed.
2025-12-03 - 12:50:08 PM GMT

GROUNDWORK WALES

England & Wales - Charity number 1096662

Accounts



Groundwork Wales

**Annual Report and
Financial Statements 2023/24**

Groundwork Wales

Charity registration no. 1096662
Company registration no. 3577896

Registered office
Ty Mynyddislwyn Offices, Bryn Road, Pontllanfraith, Blackwood, Gwent NP12 2BH

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About Groundwork Wales

Groundwork Wales is a charity, working within the federation of Groundwork Trusts, locally and nationally to transform lives in the UK's most disadvantaged communities.

We're passionate about creating a future where every neighbourhood is vibrant and green, every community is strong and able to shape its own destiny and no-one is held back by their background or circumstances.

We help people gain confidence and skills, get into training and work, protect and improve green spaces, lead more active lives and overcome significant challenges such as poverty, isolation, low skills and poor health.

Groundwork harnesses the passion, skills and experience of 31 employees and 824 volunteer trustees. In 2023/24 we delivered projects and programmes to a value of some £1,193m.

Groundwork Wales is registered as a company and charity. This report outlines the activity, priorities and financial position of Groundwork. More information on our work can be found in our Impact Report and on our website.

Chairman's statement

As incoming Chair I am delighted to present the Chairperson's Trustee Report for Groundwork Wales, summarising our achievements, challenges, and vision as we continue our journey of positive impact.

The past year has been a further testament to our resilience, adaptability, and unwavering commitment to our mission of creating sustainable and thriving communities across Wales. Despite the ever-evolving landscape, we have remained steadfast in our pursuit of environmental and social change.

In 2024/25, we continued to empower communities to be the architects of their own change. Our green enterprise initiatives, including programmes like the Furniture Revival, have harnessed latent talent within underprivileged communities, fostering economic growth and self-sufficiency. We are actively countering the cycle of poverty by enhancing people's health, wealth, and well-being.

Our new programme, Community Nature Guardians builds on our experience and commitment to supporting community members to look after their local nature and to learn about biodiversity while developing green skills in nature, supporting community cohesion and health and wellbeing.

Our Healthy Rivers programme was an outstanding success, with high levels of pollution and waste removed from rivers and increasing community engagement - we are now working across South Wales on Healthy Rivers work. Green Dragon continued to attract new clients and the Dwr Cymru pilot water efficiency programme was a success, supporting local people to save water and money on their household bills.

We have adapted our strategy for 2023-2028, and have put energy and time into developing our offer to support Welsh Governments strategies and to make links between local communities and global issues.

As we look to the future, we remain committed to our mission, knowing that there is much more work to be done. We will continue to adapt, innovate, and collaborate with our partners to address emerging challenges, foster sustainability, and make a lasting impact in the communities we serve.

In closing, I want to express my appreciation to our board of trustees, partners, and supporters for your continued trust and commitment. Together, we can build a more sustainable and inclusive Wales.

Thank you for your dedication to Groundwork Wales and our shared vision of a better tomorrow.

James Parkin
Chairman

Governance

Registration numbers

Structure

Groundwork Wales' governing documents are its Memorandum and Articles of Association, which were last amended by written resolution in March 2016.

Board of trustees

The board of trustees sits in accordance with the Charities Act 2011, and they are also the directors of the company in accordance with the Companies Act 2006. The majority of our trustees are co-opted, with one nominated member from Caerphilly council. We seek a broad skills base on our board of trustees to enable us to benefit from specialist expertise and networks.

We take our governance responsibilities very seriously, recognising the need to ensure as much of our resource as possible is expended on delivering our charitable mission while ensuring our organisation is strong, well-managed and financially viable in the long term.

New trustees are provided with an induction to the organisation, which includes a specific focus on their role and responsibilities.

Trustees are responsible for ensuring sound organisational systems, processes and policies are maintained and embedded in the way Groundwork UK is managed. This includes policies governing our fundraising standards, our investments and our responsibilities to our staff, volunteers and beneficiaries. We pay particular attention to issues of health and safety, safeguarding, data protection and information security, each of which has a champion on our board, and maintains comprehensive business continuity arrangements. We undertake a regular skills audit of our board to ensure we have access to the expertise needed to run our organisation efficiently, effectively and safely.

Groundwork Wales' Management Team is led by the Chief Executive and includes senior staff members responsible for financial and business management, business development, communications and fundraising and programme management. This team is fully accountable to the Board and its Committees. It operates through delegated powers outlined in our financial regulations and provides regular reports on financial and operational performance and risk management.

Related party transactions

Each Groundwork Trust is an independent charity with similar aims. We operate within a group structure and Groundwork Caerphilly is a wholly owned subsidiary. Each Groundwork Trust is therefore responsible for its own management and administration, and for developing and delivering projects that meet its objectives and core purposes. Some of the appointed trustees of Groundwork Wales are also trustees of Groundwork Caerphilly. Groundwork Caerphilly is a related party to Groundwork Wales.

Groundwork Wales has considered the other disclosure requirements of the SORP and believes that there are no other related party transactions.

Our commitments

Everything Groundwork Wales does is underpinned by a set of values, which inform the way we work and behave.

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. We do not undertake widespread fundraising from the general public.

All of our fundraising is managed internally and we do not employ commercial participators or professional third-party fundraisers. The day to day management of all income generation activity is delegated to the senior management team, who are accountable to the trustees.

Groundwork Wales is not required to be bound by any regulatory scheme.

As a charity dedicated to supporting people who may be vulnerable we are committed to ensuring our operations are delivered safely and to the highest ethical standards. We have a Groundwork-wide commitment to effective safeguarding and aim to meet best practice standards in terms of management, governance and transparent reporting.

Objectives and public benefit

Groundwork Wales' charitable objectives are set down in its Memorandum of Association and date from the interpretation of charitable activities when they were drafted in 1998, as amended at annual general meetings and by written resolution. They commit Groundwork Wales to delivering and promoting regeneration and sustainable development as follows:

The objects of the Company are firstly to promote the conservation, protection and improvement of the physical and natural environment anywhere in the area; secondly to provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for those living in or working in or resorting "to Wales"; thirdly to advance public education in environmental matters and of the ways or better conserving, protecting and improving the same wheresoever; and fourthly to promote the efficiency of other charities having objects similar to the objects of the Company.

Groundwork Wales' trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the organisation's objectives and planning future activities. In particular, the trustees consider how planned activities will contribute to the charitable objectives set out above. Further details about the impact of Groundwork Wales' activities during 2023/24 can be found on the following pages.

Our work is designed to address the needs of all sections of the community and we provide equal access to our services regardless of race, gender, disability or sexual orientation.

For further details about our work visit www.groundwork.org.uk

Advisors

Auditors

HSJ Audit Limited
Severn House
Hazell Drive
Newport
NP10 8FY

Bankers

Barclays Bank Plc
South Wales Corporate Banking Team PO
Box 674
121 Queen Street
Cardiff
CF10 2XU

The Board of Trustees

The trustees (who are the directors of the company in accordance with the Companies Act 2006) on the date of approval of this report, or who served as trustees at any time during the year reported on, are as follows.

Appointed trustees	First appointed	Last appointed	Retired/resigned
Mr B Matthew	11 March 2016		
Mrs N Rees	11 March 2016		6 th September 2024
Mr J D Greenidge	9 February 2018		23 rd May 2024
Mr D Havard	28 February 2018		27 th May 2022
Ms K Heenan-Davies	5 December 2018		11 th November 2022
Mr P Fiander	10 December 2018		
Mr P Robinson	10 September 2020		5 th May 2022
Mr S Williams	24 June 2022		
Mr J Parkin	8 November 2022		
Mr S Edwards			

Chairman

Mr J Parkin

Company Secretary

Ms K Stevenson

Chief Executive

Ms K Stevenson

Strategic report for the year ended 31 March 2024

The Board of Trustees presents its report for the year ended 31 March 2024. This includes statements about our organisation (page 9), its objectives and its governance (page 5), our financial and operational review for the year (pages 7-8), our plans for the future (pages 7) and details of our trustees, senior staff and advisers (pages 49-50).

1. Performance overview

2023/24 saw a continued recovery and return to the new normal after the pandemic. Grant funding has become ever more challenging to find for our work and we have invested our own high levels of reserves as a charity, to fund some environmental work – namely our Community Nature Guardians work.

This investment shows as a financial loss, but we are clearly a going concern with over a million pounds in reserves (restricted and unrestricted) as well as providing for future needs in terms of building maintenance and refurbishment. The designated fund was reduced to £123,822 reflecting sufficient money to undertake remedial repairs to the roof and windows of the building, with the boiler replacement now complete, and building maintenance work underway.

The vast majority of activities set out in our business plan for the year have been delivered.

Tight control of our costs and good performance on existing programmes has enabled us to report a financial surplus, allowing us to continue adding gradually to reserves to meet our target of holding a year's worth of operating costs. Our social enterprise elements performed well, with trading resulting in positive financial performance, while meeting our organisational objectives.

Activity highlights

Groundwork continues to deliver a rich variety of local projects, programmes and services that are transforming lives in local communities and helping more people get involved in taking action to improve their personal circumstances and the quality of life in their area.

Last year Groundwork Wales sourced £873K of funding or enterprising income, with Groundwork Caerphilly sourcing funding of £311K to support our collective mission.

Groundwork Wales' activities have added value to communities as follows: -

Supporting communities through grants

Helping to equip communities with the skills, capacity and networks needed to bring about change in their local area has been core to Groundwork's mission since its inception. Groundwork Wales has developed its role as a grant manager on behalf of businesses and government, providing robust systems informed by feedback from community groups and supported 'on the ground' by a network of Groundwork Trust enablers. Groundwork Wales has contributed as follows.

- The **Tesco Community Grants** programme entered a new phase during the year with the small grant scheme supplemented by a 'flagship' programme to mark the celebration of Tesco's centenary. The programme continues to meet all of its KPIs, and receive positive feedback from Tesco colleagues and community groups. In 2023/24, Tesco Community Grant has provided more than £143.7 million across the UK to over 18,636 local community projects in the UK.

Programmes

We run a broad range of programmes, all of which benefit communities and individuals in line with our objectives, including:

- Routes2Life
- Food for Growth Caerphilly SPF
- Cwm y Mynydd Food Sector
- The Green Dragon Environmental Standard
- Tesco Community Grants (through Tesco Enablers)

- Greencare
- WCVA Landfill Disposal Tax Rhymney
- Community Nature Guardians Blaenau Gwent SPF
- Corporate Social Responsibility Programmes
- Dwr Cymru Water Efficiency
- Dwr Cymru Healthy River programmes
- New to Nature
- Save our Wild Isles
- Wellies in the Woods
- National Grid

The Groundwork Federation

We continue to take an active part as a member of the Federation of Groundwork Trusts, collaborating and learning from others where appropriate.

2. Our plans for the future

In order to ensure Groundwork Wales' activities are fully aligned with the needs and expectations of our wider federation, our forward plans are clearly and explicitly driven by Groundwork's collectively agreed strategy. This can be summarised as follows.

Groundwork 2024-2028 Strategy details how we will support communities and people to combat the climate and nature emergency, improve their health and wellbeing and gain access to learning and work opportunities.

Groundwork 2024-2028 strategic priorities are:

To help people improve their prospects by increasing confidence, skills, wellbeing and employability and helping those out of work to find jobs in the economy.

To help people create better places by making communities greener, healthier and better prepared for the future and enabling people to work together to bring about change in their local area.

To help people protect the planet by supporting people and businesses to reduce their carbon footprint, cut waste and take practical action to combat climate change.

We are developing our enterprising units, to account for depletion in the availability of grant funding for our work and are seeking to grow Green Dragon, Enterprise Centre tenancies and The Furniture Revival, with plans for an additional shop in Bridgend.

3 Financial performance

Groundwork Wales' net incoming resources for 2023/24 totalled £1,193million (compared to £1,379 million in 2022/23), with unrestricted funds of £824K.

Our long-term financial strategy has clear and linked strands as follows:

- to manage our overhead costs to ensure discretionary spending is focused on supporting front line delivery and generating more income while maintaining the capacity we need to operate effectively and safely
- to achieve an operating surplus so that we can hold a level of reserves sufficient to sustain our charitable operations and strengthen our balance sheet to support commercial services and manage the risk of outcome-based funding arrangements.

3.1 Reserves

In line with this financial strategy our trustees have agreed that we should aim to hold 3 months operating costs (circa £335K) in liquid reserves. We believe this is appropriate for the following reasons:

- to absorb short term setbacks such as loss or delays in funding
- to provide the working capital required to finance retrospective programme funding which can result in considerable timing differences between expenditure and receipt of funds
- to cover the cost of investing in staff training and development to develop new and improved services for Groundwork

- to cover the cost of developing new services, such as improved communications, research and quality and business information systems
- to set aside funds for capital assets such as ICT equipment
- to provide funding to cover any unforeseen downturn in activity, allowing alternative activity to be generated and/or a planned down-sizing of our staff team.

The above needs for reserves have to be balanced against the following factors:

- the need to be seen as a responsible charity by the Charity Commission, our partners and funders, our member Trusts within Groundwork and the communities we serve
- the need to avoid the creation or retention of unnecessary surpluses for which there is no future planned requirement or that bear no relation to our charitable aims.

Our level of free liquid reserves at the end of 2023/24 stands at £670k. Our general fund reserve does not include designated funds, which have been set aside for specific purposes, or restricted funds, which represent advance payments by funders held by Groundwork Wales pending completion of project work by Groundwork Trusts and other delivery partners.

Unrestricted reserves total £824k (2022/23 £876k).

Restricted funds can only be used in accordance with agreements reached with funders relating to programmes of work and therefore do not form part of the general reserves that are under the control of the trustees. These funds will all be distributed during 2024/25. The future movements on any such restricted funds reflect the long-term nature of Groundwork Wales programme activity and in no way reflects on the organisation's financial efficiency or performance.

The charity's subsidiary Groundwork Caerphilly reported an overall net surplus of £23,036 (2022/23 £5,269) as detailed in note 10.

3.2 Investments

The majority of the funds obtained by Groundwork Wales are provided against specified projects for particular needs and are therefore of a restricted nature.

We do not currently invest monies.

3.3 Grant making policy

Groundwork Wales delivers its mission primarily by distributing grants to other delivery partners and to community groups. These funds are considered to be performance related grants and are recognised in these financial statements to the extent that the projects which they are funding have been completed. All grant programmes have specific guidelines, criteria and priorities with a formal process of approval.

3.4 Principal funding sources

Our major sources of funding for the group during the last year are set out below.

- Private Sector funding – £220K (£167k in 2022/23)
This includes funds provided by businesses, trusts and foundations, most notably £41k, provided by Tesco to enable community groups to apply through the Bags of Help programme. Other major funders during 2023/24 included Caerphilly CBC & Blaenau Gwent CBC.
- Public sector funding - £285K (£276k in 2022/23)
This includes funding secured to deliver programmes and services on behalf of government departments, public bodies and lottery distributors.

3.5 Expenditure on charitable objectives

In line with the objectives set out in our Groundwork 2020 strategy and the Groundwork Wales business plan, our expenditure in the year was directed towards the provision of resources to support frontline delivery and ensure our organisation delivers effectively and safely.

3.6 Key Performance Indicators

Data against a number of key performance indicators is presented to our trustees on a quarterly basis to measure our success in profile raising, income generation, programme management and continual improvement. These KPIs are tracked on a rolling basis and compared to target levels of performance outlined in our annual business plan.

Monthly management accounts track progress against our financial targets and reforecasts to the year-end are made quarterly. A key performance indicator is the amount of income secured as a percentage of forecast salaries and operating costs. This informs year-end forecasts based on prior years' experience.

Performance during 2023/24 has been positive.

3.7 Sustainable Development Report

Groundwork's charitable mission is to promote sustainable development – helping communities and individuals develop the understanding and capability to take action and make choices that deliver social equity and economic prosperity while recognising the need to live within the earth's finite natural resources. In order to have credibility as an organisation we need to demonstrate that the principles of sustainable development underpin the way we go about our work. Our sustainable development policy commits us to reporting on how these principles are integral to the way we plan and manage our operations, support our employees and utilise our resources.

- **Areas of progress**

As a team, we continue to focus on ensuring that our staff adopt more sustainable practices in the workplace, both through ongoing reinforcement of messages around electricity use and waste but also through dedicated campaigns to promote sustainable travel. We prioritise ethical suppliers in our purchasing arrangements for utilities, catering, cleaning and promotional materials. As a small team of people, we recognise the biggest impact we can make lies in the programmes we manage and the campaigns we run. Our focus is on securing funds that can help people and groups make a positive impact on the environment, but we know we can do more to provide support to all those benefiting from our programmes to act in a more environmentally responsible way. As the whole of Groundwork refreshes its strategy for the next five years we will press for a stronger focus on developing programmes and services that help communities tackle waste and climate change.

3.8 Principal risks and uncertainties

Our board of trustees understands its responsibilities under the Charity Commission's Statement of Recommended Practice (SORP) for ensuring that the major risks to which the charity is exposed are identified and reviewed, and that there are systems in place to mitigate them.

Trustees regularly review the development and operation of our risk management process and receive quarterly updates on actions put in place to mitigate the most significant ongoing risks. Risks are identified by our staff teams and reviewed on a regular basis by our management team. All of Groundwork Wales' major programmes are managed on a risk basis with individual risk registers used both as management and reporting tools. We have a comprehensive business recovery plan in place, which is designed to ensure continuity of Groundwork Wales operations in the event of a crisis or disaster situation and which has been tested through scenarios in each team.

The major areas of potential risk, for which we have active mitigation strategies in place, are as follows:

- Slow recovery in financial climate, inability to secure income and threat to bottom line and business viability
- Increased competition / Diminishing Grant funds
- Lower Business Viability/Pressure on reserves - Significant reduction in core funding WG, Significant reduction in funding Local Authorities
- Covid-19 Recovery

Groundwork Wales recognises that risk management is an essential part of good business practice and an effective mechanism of good governance. The Board is committed to ensuring that risk management processes are embedded throughout the organisation, and that these processes are used to help identify at an early stage issues that affect performance or the achievement of our purpose.

However, trustees also recognise that our process can only seek to manage rather than eliminate risk, and that it should therefore be only one of the tools that the Board uses to provide effective control and management of the administration of the charity.

3.9 Financial instruments

Groundwork Wales's financial risk management objective is broadly to seek to make neither profit nor loss from exposure to currency or interest rate risks. Our policy is to finance fixed assets and working capital through retained reserves.

4 Statement of trustees' responsibilities

The trustees, who are also the directors of Groundwork Wales for the purposes of company law, are responsible for preparing the Annual Report and 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;
- observe the methods and principles of the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent, and
- 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 charity's 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.

Signed on behalf of the Board of trustees


James Parkin (Nov 21, 2024 20:53 GMT)

James Parkin
Chairman

Date: 20/11/2024

Groundwork Wales

Independent Auditor's Report to the Members of Groundwork Wales

Opinion

We have audited the financial statements of Groundwork Wales (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 March 2024, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, , Balance Sheet, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, 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.

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 responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating 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's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Groundwork Wales

Independent Auditor's Report to the Members of Groundwork Wales

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 misstatements in the Strategic Report and the Trustees' Report.

We have nothing to report in respect of the following matters where 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 trustees 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 Statement of Trustees' Responsibilities (set out on page 11), the trustees 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 determine 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Groundwork Wales

Independent Auditor's Report to the Members of Groundwork Wales

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework.

We communicated identified fraud risks throughout the engagement team and remained alert throughout the engagement process for any indications of fraud.

As required by the auditing standards, we identify and assess the risk of material misstatement of financial statements, whether due to fraud or error, in particular revenue recognition and management override of control. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of material misstatement and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing supporting documentation to assess compliance with applicable laws and regulations;
- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual account combinations;
- Assessing whether revenue has been accounted for in the correct period and the existence of revenue at the cut off date based on the adopted accounting policy for revenue.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Groundwork Wales

Independent Auditor's Report to the Members of Groundwork Wales

Use of our report

This report is made solely to the charitable parent company's trustees, 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 group's trustees 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 parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Mr Andrew Hill FCCA ACA DChA BFP (Senior Statutory Auditor)
For and on behalf of HSJ Audit Limited, Statutory Auditor

Severn House
Hazell Drive
Newport
South Wales
NP10 8FY

21 November 2024

Groundwork Wales

Consolidated Statement of Financial Activities for the Year Ended 31 March 2024 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
Income and Endowments from:				
Donations and legacies	3	16,567	-	16,567
Charitable activities	4	<u>852,860</u>	<u>323,711</u>	<u>1,176,571</u>
Total income		<u>869,427</u>	<u>323,711</u>	<u>1,193,138</u>
Expenditure on:				
Charitable activities	5	<u>(941,128)</u>	<u>(320,716)</u>	<u>(1,261,844)</u>
Total expenditure		<u>(941,128)</u>	<u>(320,716)</u>	<u>(1,261,844)</u>
Net (expenditure)/income		(71,701)	2,995	(68,706)
Transfers between funds		<u>19,001</u>	<u>(19,001)</u>	<u>-</u>
Net movement in funds		(52,700)	(16,006)	(68,706)
Reconciliation of funds				
Total funds brought forward		<u>876,338</u>	<u>184,211</u>	<u>1,060,549</u>
Total funds carried forward	18	<u><u>823,638</u></u>	<u><u>168,205</u></u>	<u><u>991,843</u></u>

The notes on pages 21 to 44 form an integral part of these financial statements.

Groundwork Wales

Consolidated Statement of Financial Activities for the Year Ended 31 March 2024 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
Income and Endowments from:				
Donations and legacies	3	4,702	2,000	6,702
Charitable activities	4	1,085,159	286,993	1,372,152
Other income		287	-	287
Total income		<u>1,090,148</u>	<u>288,993</u>	<u>1,379,141</u>
Expenditure on:				
Charitable activities	5	<u>(965,051)</u>	<u>(319,549)</u>	<u>(1,284,600)</u>
Total expenditure		<u>(965,051)</u>	<u>(319,549)</u>	<u>(1,284,600)</u>
Net income/(expenditure)		125,097	(30,556)	94,541
Transfers between funds		<u>30,095</u>	<u>(30,095)</u>	-
Net movement in funds		155,192	(60,651)	94,541
Reconciliation of funds				
Total funds brought forward		<u>721,146</u>	<u>244,862</u>	<u>966,008</u>
Total funds carried forward	18	<u><u>876,338</u></u>	<u><u>184,211</u></u>	<u><u>1,060,549</u></u>


All of the group's activities derive from continuing operations during the above two periods.

The funds breakdown for 2023 is shown in note 18.

Groundwork Wales
(Registration number: 3577896)
Consolidated Balance Sheet as at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Intangible assets	10	-	1,281
Tangible assets	11	<u>183,380</u>	<u>209,430</u>
		<u>183,380</u>	<u>210,711</u>
Current assets			
Stocks	13	10,521	9,032
Debtors	14	184,619	252,307
Cash at bank and in hand	15	<u>814,459</u>	<u>852,054</u>
		1,009,599	1,113,393
Creditors: Amounts falling due within one year	16	<u>(201,136)</u>	<u>(263,555)</u>
Net current assets		<u>808,463</u>	<u>849,838</u>
Net assets		<u>991,843</u>	<u>1,060,549</u>
Funds of the group:			
Restricted income funds			
Restricted funds		168,205	184,211
Unrestricted income funds			
Unrestricted funds		<u>823,638</u>	<u>876,338</u>
Total funds	18	<u>991,843</u>	<u>1,060,549</u>

The financial statements on pages 16 to 44 were approved by the trustees, and authorised for issue on 20 November 2024 and signed on their behalf by:



J R Parkin (Nov 21, 2024 20:53 GMT)
J R Parkin
Trustee

The notes on pages 21 to 44 form an integral part of these financial statements.

Groundwork Wales
(Registration number: 3577896)
Balance Sheet as at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	11	29,944	40,418
Current assets			
Stocks	13	56	-
Debtors	14	212,981	537,418
Cash at bank and in hand	15	<u>583,188</u>	<u>362,609</u>
		796,225	900,027
Creditors: Amounts falling due within one year	16	<u>(167,907)</u>	<u>(190,441)</u>
Net current assets		<u>628,318</u>	<u>709,586</u>
Net assets		<u>658,262</u>	<u>750,004</u>
Funds of the charity:			
Restricted income funds			
Restricted funds	18	14,125	14,125
Unrestricted income funds			
Unrestricted funds		<u>644,137</u>	<u>735,879</u>
Total funds	18	<u>658,262</u>	<u>750,004</u>

The financial statements on pages 16 to 44 were approved by the trustees, and authorised for issue on 20 November 2024 and signed on their behalf by:


 J R Parkin
 Trustee

The notes on pages 21 to 44 form an integral part of these financial statements.

Groundwork Wales

Consolidated Statement of Cash Flows for the Year Ended 31 March 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash (expenditure)/income		(68,706)	94,541
Adjustments to cash flows from non-cash items			
Depreciation		26,257	28,871
Amortisation		<u>1,281</u>	<u>1,397</u>
		(41,168)	124,809
Working capital adjustments			
(Increase)/decrease in stocks	13	(1,489)	2,077
Decrease/(increase) in debtors	14	67,688	(26,823)
(Decrease)/increase in creditors	16	<u>(62,626)</u>	<u>25,107</u>
Net cash flows from operating activities		<u>(37,595)</u>	<u>125,170</u>
Cash flows from investing activities			
Purchase of tangible fixed assets	11	-	(16,058)
Sale of tangible fixed assets		<u>-</u>	<u>11,229</u>
Net cash flows from investing activities		<u>-</u>	<u>(4,829)</u>
Net (decrease)/increase in cash and cash equivalents		(37,595)	120,341
Cash and cash equivalents at 1 April		<u>852,054</u>	<u>731,713</u>
Cash and cash equivalents at 31 March		<u><u>814,459</u></u>	<u><u>852,054</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 21 to 44 form an integral part of these financial statements.

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2024

1 Charity status

The charity is limited by guarantee, incorporated in Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Ty Mynyddislwyn Offices
Bryn Road
Pontllanfraith
Blackwood
NP12 2BH

These financial statements were authorised for issue by the trustees on 20 November 2024.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (Effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

Basis of preparation

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest£.

The accounts have been prepared under the historical cost convention.

No separate cash flow statement has been presented for the charity itself as the charity has taken advantage of the exemptions in paragraph 1.12 of FRS 102.

Figures contained in the financial statements have been rounded to the nearest pound.

Basis of consolidation

The financial statements represent the consolidated position of the group. This comprises Groundwork Caerphilly and GC Enterprises (Wales) Limited. Groundwork Caerphilly is a subsidiary of Groundwork Wales and Groundwork Caerphilly own 100% of the share capital of GC Enterprises (Wales) Limited, which is now dormant.

the financial statements are consolidated on a line-by-line basis and cover the consolidated financial position and transactions of all companies controlled by the charity from the date of acquisition. All intra group transactions are eliminated on consolidation.

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2024

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Going concern

The charity reported a net unrestricted outflow of (£52,700) (after transfers between reserves) for the year. The charity has sufficient free reserves and is monitoring results on a frequent basis. The trustees are of the view that on this basis the charity is a going concern and there are no material uncertainties about the charity's ability to continue as a going concern.

Judgements

In the application of charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Income and endowments

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Income and grants are included in incoming resources when receivable, except as follows: -

- When donors specify that the grants must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre conditions for use have been met.
- When donors specify that grants are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2024

Other income

Grants that relate to capital expenditure on specific projects are treated as restricted funds that are charged to the income and expenditure account at acquisition. This treatment is due to the nature of the funding as the grants are received to provide equipment to specifically run the projects and services.

Expenditure

Expenditure incurred by the charity in the year has been split between restricted and unrestricted funds. Costs have been analysed between direct charitable expenditure, fundraising and publicity and the administration and management of the charity. Expenditure relating directly to a cost category has been charged to that account. Expenditure, which includes more than one cost category, has been apportioned on a reasonable, justifiable and consistent basis to the categories involved. Committed expenditure that has yet to be invoiced is, in line with best accounting practice, not recognised in these accounts. It is intended that such expenditure will be funded by future income flows.

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure has been allocated to management and administration of the trust, where it relates to the management of the trust's assets, organisational administration and compliance with constitutional and statutory requirements.

Resources expended are recognised in the period in which they are incurred.

Charitable activities

This includes all expenditure directly related to the aims of the charity as follows:

- To promote the conservation, protection and improvement of the physical, and natural environment.
- To provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for those living, working and visiting in the area.
- To advance public education in environmental matters and in the ways of better conserving, protecting and improving the environment.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These costs include the costs of governance arrangements, which relate to the general running of Groundwork Wales as opposed to the direct management functions inherent in generating funds, service delivery and programme of project work. These include such items as external audit, legal advice for trustees and costs associated with constitutional and statutory requirements.

Taxation

As a registered charity, Groundwork Wales is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2024

Intangible assets

Intangible assets are stated in the Balance Sheet at cost less accumulated amortisation and impairment. They are amortised on a straight line basis over their estimated useful lives.

Tangible fixed assets

Individual fixed assets costing £500.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Development costs	20% on cost

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Computers	33.33% on cost
Office Equipment	20% on cost
Plant and Machinery	20% on cost
Buildings	2.5% on cost
Land	0% on cost
Motor Vehicles	20% on cost

Research and development

Development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised in line with the expected future income from the related project.

Business combinations

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the group. All intra-group transactions, balances, income and expenses are eliminated on consolidation. In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations effected prior to the date of transition.

Stock

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based on the estimated selling price after taking into account all further costs and excess stocks that are slow moving.

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2024

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted funds are available for use at the discretion of the directors in furtherance of the Trust's general objectives.

Designated funds are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds are funds subject to specific restrictive conditions imposed by the terms of the grant or funding body.

Hire purchase and finance leases

The rentals under operating leases, where substantially all the benefits and risks of ownership remain with the lessor, are charged against profit as incurred.

Pensions and other post retirement obligations

The charity operates a defined contribution scheme for the benefit of its employees. The assets of the scheme are held separately from those of the charity. Contributions payable are charged to the profit and loss account in the year they are payable and are charged against unrestricted funds.

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2024

Financial instruments

Classification

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Recognition and measurement

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

3 Income from donations and legacies

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Donations and legacies;			
Donations from individuals	16,567	16,567	6,702
	<u>16,567</u>	<u>16,567</u>	<u>6,702</u>

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2024 £
Welsh Assembly	-	210,000	210,000
Public Agencies and National Charities	280,398	4,181	284,579
Local Authority	16,141	99,367	115,508
Private Sector	219,587	-	219,587
Grants	12,131	10,163	22,294
Environment Centre	38,208	-	38,208
Furniture Revival	284,970	-	284,970
Other Income	1,425	-	1,425
	<u>852,860</u>	<u>323,711</u>	<u>1,176,571</u>

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2024

	Unrestricted funds General £	Restricted funds £	Total 2023 £
Welsh Assembly	-	210,000	210,000
Public Agencies and National Charities	232,012	43,903	275,915
Local Authority	407,510	24,090	431,600
Private Sector	157,772	9,000	166,772
Environment Centre	61,664	-	61,664
Furniture Revival	226,201	-	226,201
	1,085,159	286,993	1,372,152

5 Expenditure on charitable activities

	Activity undertaken directly £	Activity support costs £	2024 £	2023 £
Staff costs	607,047	142,451	749,498	738,277
Volunteer costs	3,669	-	3,669	3,359
Material & direct purchases	87,715	-	87,715	75,748
Subcontractors & consultancy	119,924	-	119,924	120,399
Training and recruitment	-	-	-	16,904
Project Travel and Transport	38,715	-	38,715	39,574
Project Publicity	2,967	-	2,967	13,269
Trainee Allowances and Expenses	450	-	450	1,821
Professional Fees	78,318	-	78,318	69,696
Administration & Sundry	1,705	6,031	7,736	7,733
Communications & IT	7,263	15,715	22,978	19,806
Motor, Travel & Expenses	343	-	343	490
Recruitment & Training	6,347	76	6,423	3,587
Premises Expenses	67,063	20,088	87,151	99,309
Depreciation	27,332	-	27,332	28,392
Governance	-	28,625	28,625	46,236
	1,048,858	212,986	1,261,844	1,284,600

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2024

6 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	2024	2023
	£	£
Operating leases - other assets	1,690	1,690
Audit fees	8,750	12,072
Depreciation of fixed assets	26,051	28,871
Amortisation of goodwill	<u>1,281</u>	<u>1,281</u>

7 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the group during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

8 Staff costs

The aggregate payroll costs were as follows:

	2024	2023
	£	£
Staff costs during the year were:		
Wages and salaries	678,852	641,364
Social security costs	54,023	58,860
Pension costs	<u>16,623</u>	<u>38,030</u>
	<u>749,498</u>	<u>738,254</u>

The monthly average number of persons (including senior management / leadership team) employed by the group during the year expressed as full time equivalents was as follows:

	2024	2023
	No	No
Direct charitable	21	24
Management and admin	<u>7</u>	<u>7</u>
	<u>28</u>	<u>31</u>

The number of employees whose emoluments fell within the following bands was:

	2024
	No
£60,001 - £70,000	<u>1</u>

The total employee benefits of the key management personnel of the group were £201,048 (2023 - £198,598).

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2024

9 Taxation

The group is a registered charity and is therefore exempt from taxation.

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2024

10 Intangible fixed assets

Group	IT equipment £	Total £
Cost		
At 1 April 2023	6,988	6,988
Disposals	<u>(6,988)</u>	<u>(6,988)</u>
At 31 March 2024	<u>-</u>	<u>-</u>
Amortisation		
At 1 April 2023	5,707	5,707
Charge for the year	1,281	1,281
Eliminated on disposals	<u>(6,988)</u>	<u>(6,988)</u>
At 31 March 2024	<u>-</u>	<u>-</u>
Net book value		
At 31 March 2024	<u>-</u>	<u>-</u>
At 31 March 2023	<u>1,281</u>	<u>1,281</u>

11 Tangible fixed assets

Group	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2023	150,000	8,734	114,926	273,660
Disposals	<u>-</u>	<u>-</u>	<u>(11,400)</u>	<u>(11,400)</u>
At 31 March 2024	<u>150,000</u>	<u>8,734</u>	<u>103,526</u>	<u>262,260</u>
Depreciation				
At 1 April 2023	22,500	6,853	34,670	64,023
Charge for the year	1,875	1,587	22,795	26,257
Eliminated on disposals	<u>-</u>	<u>-</u>	<u>(11,400)</u>	<u>(11,400)</u>
At 31 March 2024	<u>24,375</u>	<u>8,440</u>	<u>46,065</u>	<u>78,880</u>
Net book value				
At 31 March 2024	<u>125,625</u>	<u>294</u>	<u>57,461</u>	<u>183,380</u>
At 31 March 2023	<u>127,500</u>	<u>1,881</u>	<u>80,256</u>	<u>209,637</u>

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2024

Charity

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2023	150,000	8,734	114,926	273,660
Disposals	-	-	(11,400)	(11,400)
At 31 March 2024	<u>150,000</u>	<u>8,734</u>	<u>103,526</u>	<u>262,260</u>
Depreciation				
At 1 April 2023	22,500	6,853	34,670	64,023
Charge for the year	1,875	1,587	22,795	26,257
Eliminated on disposals	-	-	(11,400)	(11,400)
At 31 March 2024	<u>24,375</u>	<u>8,440</u>	<u>46,065</u>	<u>78,880</u>
Net book value				
At 31 March 2024	<u>125,625</u>	<u>294</u>	<u>57,461</u>	<u>183,380</u>
At 31 March 2023	<u>127,500</u>	<u>1,881</u>	<u>80,256</u>	<u>209,637</u>

12 Fixed asset investments

Group

Details of undertakings

Details of the investments in which the group holds 20% or more of the nominal value of any memberships or share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and membership / shares held		Principal activity
			2024	2023	
Subsidiary undertakings					
Groundwork Caerphilly	England & Wales		100%	100%	As noted below
GC Enterprises (Wales) Limited	England & Wales	Ordinary	100%	100%	That of a dormant company

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2024

Subsidiaries

The profit for the financial period of Groundwork Caerphilly was £23,036 (2023 - £5,269) and the aggregate amount of capital and reserves at the end of the period was £333,680 (2023 - £310,644).

On 1 February 2015 the charity became a subsidiary of Groundwork Wales, Groundwork Caerphilly is a charitable company, limited by guarantee and incorporated on 14 May 1990 in England and Wales. Company number 02501792, charity number 1006811 - registered 13 December 1991. The objects of the charity are:

- To promote firstly the conservation protection and improvement of the physical and natural environment.
- To provide facilities in the interests of social welfare for recreation and leisure.
- To advance public education in environmental matters and of better ways of better conserving protecting and improving the same.

The profit for the financial period of GC Enterprises (Wales) Limited was £Nil (2023 - £Nil) and the aggregate amount of capital and reserves at the end of the period was £(100) (2023 - £(100)).

13 Stock

	Group		Charity
	2024	2023	2024
	£	£	£
Stocks	10,521	9,032	56

14 Debtors

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	128,535	102,231	113,519	98,816
Due from group undertakings	-	-	59,408	301,110
Prepayments	28,253	145,252	13,823	137,492
Accrued income	27,829	-	26,229	-
Other debtors	2	4,824	2	-
	184,619	252,307	212,981	537,418

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2024

15 Cash and cash equivalents

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Cash on hand	77	-	27	-
Cash at bank	814,382	852,054	583,161	362,609
	<u>814,459</u>	<u>852,054</u>	<u>583,188</u>	<u>362,609</u>

16 Creditors: amounts falling due within one year

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Trade creditors	49,822	68,277	47,400	23,298
Other taxation and social security	10,319	-	10,319	-
VAT grant repayable	13,635	5,627	10,475	5,627
Other creditors	2,002	101	2,002	-
Accruals	106,984	120,031	84,018	94,992
Deferred income	18,374	69,519	13,693	66,524
	<u>201,136</u>	<u>263,555</u>	<u>167,907</u>	<u>190,441</u>

17 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £16,623 (2023 - £38,030).

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2024

18 Funds

Group

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
Unrestricted funds					
<i>General</i>					
General funds	617,249	559,180	(586,643)	(23,285)	566,501
General funds - Groundwork Caerphilly	70,755	359,073	(255,722)	(40,791)	133,315
	<u>688,004</u>	<u>918,253</u>	<u>(842,365)</u>	<u>(64,076)</u>	<u>699,816</u>
<i>Designated</i>					
Building Maintenance Costs Cardiff City Council Donation	741	-	-	-	741
Marketing	13,080	-	(4,019)	-	9,061
2 x Van Dep	1,170	-	(211)	-	959
BD Consultancy	19,571	-	(5,300)	-	14,271
Translation	2,000	-	-	(2,000)	-
Salaries & Overhead 2023/23	4,829	-	-	-	4,829
Funds received for 24/25	77,240	-	(73,750)	(3,490)	-
Laptop Depreciation	-	-	-	36,076	36,076
Building maintenance costs	-	-	-	11,700	11,700
	<u>69,703</u>	<u>-</u>	<u>(64,309)</u>	<u>40,791</u>	<u>46,185</u>
	<u>188,334</u>	<u>-</u>	<u>(147,589)</u>	<u>83,077</u>	<u>123,822</u>
Total unrestricted funds	<u>876,338</u>	<u>918,253</u>	<u>(989,954)</u>	<u>19,001</u>	<u>823,638</u>
Restricted funds					
ACT (Traineeships)	594	-	-	-	594
Groundwork Wellbeing (WG)	1,363	-	-	-	1,363
NatWest Enterprise Officer	228	-	-	-	228
Nurture, Equip, Thrive	2,667	19,001	-	(19,001)	2,667
Postcode Lottery (R2L)	1,900	-	-	-	1,900
Regeneration (WG)	-	210,000	(210,000)	-	-
Routes to Life	506	34,193	(34,193)	-	506
Tesco Play	6,652	-	-	-	6,652
WCVA - Landfill Disposals Tax Communities Scheme Grant	-	4,181	(4,181)	-	-

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2024

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
Welsh Government - ENRaW	215	-	-	-	215
Routes 2 Life: Food for Growth Caerphilly SPF	-	16,561	(16,561)	-	-
Community Nature Guardians Blaenau Gwent SPF	-	29,612	(29,612)	-	-
Ty Mynyddislwyn Environment Centre	127,500	-	(1,878)	-	125,622
Garfield Weston	2,431	-	(2,431)	-	-
Windpower Community Fund	172	-	(172)	-	-
Circular Economy Fund	39,983	-	(12,525)	-	27,458
Pen Bryn Oer	-	6,663	(6,663)	-	-
Quaker Oats	-	1,000	(1,000)	-	-
Tesco Community Grant	-	2,500	(1,500)	-	1,000
Total restricted funds	<u>184,211</u>	<u>323,711</u>	<u>(320,716)</u>	<u>(19,001)</u>	<u>168,205</u>
Total funds	<u><u>1,060,549</u></u>	<u><u>1,241,964</u></u>	<u><u>(1,310,670)</u></u>	<u><u>-</u></u>	<u><u>991,843</u></u>

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2024

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Unrestricted funds					
<i>General</i>					
General funds	546,475	805,955	(688,036)	(47,145)	617,249
General funds - Groundwork Caerphilly	33,408	360,926	(293,579)	(30,000)	70,755
	<u>579,883</u>	<u>1,166,881</u>	<u>(981,615)</u>	<u>(77,145)</u>	<u>688,004</u>
<i>Designated</i>					
Building Maintenance Costs Cardiff City Council Donation	904	-	(163)	-	741
Food Sense Wales	17,099	-	(4,019)	-	13,080
Office Deco	6,368	-	(6,368)	-	-
Marketing	1,100	-	(1,100)	-	-
2 x Van Dep	2,000	-	(830)	-	1,170
BD Consultancy	23,993	-	(4,422)	-	19,571
Translation	2,000	-	-	-	2,000
Salaries & Overhead 2023/23	5,000	-	(171)	-	4,829
Building maintenance costs	-	-	-	77,240	77,240
	<u>82,800</u>	<u>-</u>	<u>(43,097)</u>	<u>30,000</u>	<u>69,703</u>
	<u>141,264</u>	<u>-</u>	<u>(60,170)</u>	<u>107,240</u>	<u>188,334</u>
Total unrestricted funds	<u>721,147</u>	<u>1,166,881</u>	<u>(1,041,785)</u>	<u>30,095</u>	<u>876,338</u>
Restricted funds					
ACT (Traineeships)	594	-	-	-	594
Business Resilience Fund	330	-	(330)	-	-
Get together (FSW)	11,217	1,150	(12,367)	-	-
Groundwork Wellbeing (WG)	1,363	-	-	-	1,363
NatWest Enterprise Officer	228	-	-	-	228
Nurture, Equip, Thrive	2,667	-	-	-	2,667
Postcode Lottery (R2L)	1,900	-	-	-	1,900
Regeneration (WG)	-	210,000	(210,000)	-	-
Routes to Life	506	34,193	(34,193)	-	506
Santander Internship	-	19,839	(19,839)	-	-
Tesco Enablers	30,123	-	-	(30,123)	-
Tesco Play	6,652	-	-	-	6,652
WCVA - Landfill Disposals Tax Communities Scheme Grant	-	1,000	(1,028)	28	-

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2024

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
WCVA - Landfill Disposals Tax Communities Scheme Grant - Aberbeeg	-	13,681	(13,681)	-	-
Welsh Government - ENRaW	215	-	-	-	215
Ty Mynyddislwyn Environment Centre	129,375	-	(1,875)	-	127,500
Garfield Weston	9,031	-	(6,600)	-	2,431
Windpower Community Fund	372	-	(200)	-	172
Circular Economy Fund	50,289	-	(10,306)	-	39,983
Pen Bryn Oer	-	4,816	(4,816)	-	-
Cwtsh	-	4,314	(4,314)	-	-
Total restricted funds	<u>244,862</u>	<u>288,993</u>	<u>(319,549)</u>	<u>(30,095)</u>	<u>184,211</u>
Total funds	<u>966,009</u>	<u>1,455,874</u>	<u>(1,361,334)</u>	<u>-</u>	<u>1,060,549</u>

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2024

Charity

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
Unrestricted funds					
<i>General</i>					
General funds	617,248	559,180	(586,643)	(23,285)	566,500
<i>Designated</i>					
Building Maintenance Costs	741	-	-	-	741
Cardiff City Council Donation	13,080	-	(4,019)	-	9,061
Marketing	1,170	-	(211)	-	959
2 x Van Dep	19,571	-	(5,300)	-	14,271
BD Consultancy	2,000	-	-	(2,000)	-
Translation	4,829	-	-	-	4,829
Salaries & Overhead 2023/24	77,240	-	(73,750)	(3,490)	-
Funds received for 24/25	-	-	-	36,076	36,076
Laptop depreciation	-	-	-	11,700	11,700
	<u>118,631</u>	<u>-</u>	<u>(83,280)</u>	<u>42,286</u>	<u>77,637</u>
Total unrestricted funds	<u>735,879</u>	<u>559,180</u>	<u>(669,923)</u>	<u>19,001</u>	<u>644,137</u>
Restricted funds					
ACT (Traineeships)	594	-	-	-	594
Groundwork Wellbeing (WG)	1,363	-	-	-	1,363
NatWest Enterprise Officer	228	-	-	-	228
Nurture, Equip, Thrive	2,667	19,001	-	(19,001)	2,667
Postcode Lottery (R2L)	1,900	-	-	-	1,900
Regeneration (WG)	-	210,000	(210,000)	-	-
Route to Life	506	34,193	(34,193)	-	506
Tesco Play	6,652	-	-	-	6,652
WCVA - Landfill Disposals Tax Communities Scheme Grant	-	4,181	(4,181)	-	-
Welsh Government - ENRaW	215	-	-	-	215
Route 2 Life: Food for Growth Caerphilly SPF	-	16,561	(16,561)	-	-
Community Nature Guardians Blaenau Gwent SPF	-	29,612	(29,612)	-	-
	<u>14,125</u>	<u>313,548</u>	<u>(294,547)</u>	<u>(19,001)</u>	<u>14,125</u>
Total restricted funds	<u>14,125</u>	<u>313,548</u>	<u>(294,547)</u>	<u>(19,001)</u>	<u>14,125</u>

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2024

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
Total funds	<u>750,004</u>	<u>872,728</u>	<u>(964,470)</u>	<u>-</u>	<u>658,262</u>

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2024

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Unrestricted funds					
<i>General</i>					
General funds	546,474	805,955	(688,036)	(47,145)	617,248
<i>Designated</i>					
Building Maintenance Costs Cardiff City Council	904	-	(163)	-	741
Donation	17,099	-	(4,019)	-	13,080
Food Sense Wales	6,368	-	(6,368)	-	-
Office Deco	1,100	-	(1,100)	-	-
Marketing	2,000	-	(830)	-	1,170
2 x Van Dep	23,993	-	(4,422)	-	19,571
BD Consultancy	2,000	-	-	-	2,000
Translation	5,000	-	(171)	-	4,829
Salaries & Overhead 2023/24	-	-	-	77,240	77,240
	<u>58,464</u>	<u>-</u>	<u>(17,073)</u>	<u>77,240</u>	<u>118,631</u>
Total unrestricted funds	<u>604,938</u>	<u>805,955</u>	<u>(705,109)</u>	<u>30,095</u>	<u>735,879</u>
Restricted funds					
ACT (Traineeships)	594	-	-	-	594
Business Resilience Fund	330	-	(330)	-	-
Get together (FSW)	11,217	1,150	(12,367)	-	-
Groundwork Wellbeing (WG)	1,363	-	-	-	1,363
NatWest Enterprise Officer	228	-	-	-	228
Nurture, Equip, Thrive	2,667	-	-	-	2,667
Postcode Lottery (R2L)	1,900	-	-	-	1,900
Regeneration (WG)	-	210,000	(210,000)	-	-
Route to Life	506	34,193	(34,193)	-	506
Santander Internship	-	19,839	(19,839)	-	-
Tesco Enablers	30,123	-	-	(30,123)	-
Tesco Play	6,652	-	-	-	6,652
WCVA - Landfill Disposals Tax Communities Scheme Grant	-	1,000	(1,028)	28	-
WCVA - Landfill Disposals Tax Communities Scheme Grant - Aberbeeg	-	13,681	(13,681)	-	-
Welsh Government - ENRaW	215	-	-	-	215
Total restricted funds	<u>55,795</u>	<u>279,863</u>	<u>(291,438)</u>	<u>(30,095)</u>	<u>14,125</u>

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2024

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Total funds	<u>660,733</u>	<u>1,085,818</u>	<u>(996,547)</u>	<u>-</u>	<u>750,004</u>

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2024

The specific purposes for which the funds are to be applied are as follows:

ACT Traineeships - funding provided towards providing traineeships.

Groundwork Wellbeing (WG) Heritage Fund - Funding a broad range of projects that connect people and communities to the national, regional and local heritage of the UK.

NatWest Enterprise Officer - funding to employ a member of staff to offer financial literacy skills to beneficiaries.

Nurture, Equip, Thrive - This is a European funded programme which supports people to undertake health and wellbeing activity when they are off work sick, and also helps organisations to help their workforces to stay healthy and fit at work, preventing illness and supporting wellbeing.

Postcode Lottery (R2L) - The aim of the fund is to support smaller charities and good causes to make a difference to their community for the benefit of people and the planet.

Regeneration [WG] - This core funding continues to support our organisation with a focus on town centre work.

Routes to life - We continue to run our horticultural project; providing placements for a wide range of clients and volunteers.

Welsh Government - ENRaW - Our We Care programme enables us to provide opportunities for people to participate in Green Teams, Volunteering and Education whilst also achieving accreditation. The Programme supports the biodiversity and community ownership of green spaces and we work in partnership with Groundwork North Wales.

WCVA - Landfill Disposals Tax Communities Scheme Grant - Aberbeeg -To support Aberbeeg Community Centre to make better use of its green space, including installation of seating area and planting of fruit trees. Funding term: 1 year from pt December 2020.

WCVA - Landfill Disposals Tax Communities Scheme Grant - Nant yr Eber - Working through the Landfill Disposals Tax grant, with Welsh Water, Natural Resources Wales, local shoals and community members and Cardiff Rivers Group, we undertook a clean-up programme on the Nant yr-Aber, in Caerphilly working from the source of the Nant-yr-Aber in Abertridwr to its confluence with the River Rhydney in Caerphilly.

Ty Myrhydyslwyn Environment Centre - This represents funding provided to purchase the property under the capital asset transfer scheme. The depreciation cost is shown in resources expended.

Garfield Weston - grant funding provided for capital. The depreciation cost is shown in resources expended,

Windpower Community Fund - grant funding provided for capital. The depreciation cost is shown in resources expended.

Circular Economy Fund "- The fund was open to local authorities to help Wales Shift towards a circular economy driving further increases in recycling and decarbonisation. In 2021/22, this included the donation of two vehicles to the charity, The depreciation cost is shown in resources expended.

Pen Bryn Oer - The funding was received to support community groups who offer vital services.

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2024

19 Analysis of net assets between funds

Group

	Unrestricted funds		Restricted funds	Total funds at 31 March 2024
	General	Designated		
	£	£	£	£
Tangible fixed assets	29,944	-	153,436	183,380
Current assets	871,007	123,822	14,770	1,009,599
Current liabilities	(201,136)	-	-	(201,136)
Total net assets	<u>699,815</u>	<u>123,822</u>	<u>168,206</u>	<u>991,843</u>

	Unrestricted funds		Restricted funds	Total funds at 31 March 2023
	General	Designated		
	£	£	£	£
Intangible fixed assets	-	-	1,281	1,281
Tangible fixed assets	40,625	-	168,805	209,430
Current assets	910,934	188,334	14,125	1,113,393
Current liabilities	(263,555)	-	-	(263,555)
Total net assets	<u>688,004</u>	<u>188,334</u>	<u>184,211</u>	<u>1,060,549</u>

Charity

	Unrestricted funds		Restricted funds	Total funds at 31 March 2024
	General	Designated		
	£	£	£	£
Tangible fixed assets	29,944	-	-	29,944
Current assets	704,463	77,637	14,125	796,225
Current liabilities	(167,907)	-	-	(167,907)
Total net assets	<u>566,500</u>	<u>77,637</u>	<u>14,125</u>	<u>658,262</u>

	Unrestricted funds		Restricted funds	Total funds at 31 March 2023
	General	Designated		
	£	£	£	£
Tangible fixed assets	40,418	-	-	40,418
Current assets	767,271	118,631	14,125	900,027
Current liabilities	(190,441)	-	-	(190,441)
Total net assets	<u>617,248</u>	<u>118,631</u>	<u>14,125</u>	<u>750,004</u>

Groundwork Wales

Notes to the Financial Statements for the Year Ended 31 March 2024

20 Analysis of net funds

Group

	At 1 April 2023	Financing cash flows	At 31 March 2024
	£	£	£
Cash at bank and in hand	852,054	(37,595)	814,459
Net debt	852,054	(37,595)	814,459
	At 1 April 2022	Financing cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	731,713	120,341	852,054
Net debt	731,713	120,341	852,054

GROUNDWORK WALES

England & Wales - Charity number 1096662

Accounts



Groundwork Wales

**Annual Report and
Financial Statements 2022/23**

Groundwork Wales

Charity registration no. 1096662
Company registration no. 3577896

Registered office
Ty Mynyddislwyn Offices, Bryn Road, Pontllanfraith, Blackwood, Gwent NP12 2BH

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About Groundwork Wales

Groundwork Wales is a charity, working within the federation of Groundwork Trusts, locally and nationally to transform lives in the UK's most disadvantaged communities.

We're passionate about creating a future where every neighbourhood is vibrant and green, every community is strong and able to shape its own destiny and no-one is held back by their background or circumstances.

We help people gain confidence and skills, get into training and work, protect and improve green spaces, lead more active lives and overcome significant challenges such as poverty, isolation, low skills and poor health.

Groundwork harnesses the passion, skills and experience of 31 employees and 7 volunteer trustees. In 2022/23 we delivered projects and programmes to a value of some £1.086m.

Groundwork Wales is registered as a company and charity. This report outlines the activity, priorities and financial position of Groundwork. More information on our work can be found in our Impact Report and on our website.

Chairman's statement

Dear Trustees, Partners, and Supporters,

I am honoured to present the Chairperson's Trustee Report for Groundwork Wales, summarising our achievements, challenges, and vision as we continue our journey of positive impact.

The past year has been a testament to our resilience, adaptability, and unwavering commitment to our mission of creating sustainable and thriving communities across Wales. Despite the ever-evolving landscape, we have remained steadfast in our pursuit of environmental and social change.

In 2022/23, we continued to empower communities to be the architects of their own change. Our green enterprise initiatives, including projects like the Furniture Revival, have harnessed latent talent within underprivileged communities, fostering economic growth and self-sufficiency. We are actively countering the cycle of poverty by enhancing people's health, wealth, and well-being.

Valleys Regional Park Guardians continued to excel working with a range of communities within Discovery Gateways, and Routes 2Life developed as a food hub and to support community members at risk of food poverty.

Our Healthy Rivers Nant yr Aber Clean-up programme was an outstanding success, with high levels of pollution and waste removed from the river and increasing community engagement. We have amended plans so that we can involve more local volunteers including evening and weekend sessions. **Green Dragon** continued to attract new clients and the **Dwr Cymru** pilot water efficiency programme was a success with all targets met and great engagement.

We delivered as a partner in the Welsh Governments autumn **My Tree Our Forest Campaign** together with Woodland Trust and Llais y Goewig. Our success is rooted in our dedicated and loyal staff members, who have been the driving force behind Groundwork Wales. Their resilience and unwavering dedication to our cause deserve our deepest gratitude.

As we look to the future, we remain committed to our mission, knowing that there is much more work to be done. We will continue to adapt, innovate, and collaborate with our partners to address emerging challenges, foster sustainability, and make a lasting impact in the communities we serve.

In closing, I want to express my appreciation to our board of trustees, partners, and supporters for your continued trust and commitment. Together, we can build a more sustainable and inclusive Wales.

Thank you for your dedication to Groundwork Wales and our shared vision of a better tomorrow.

Jeff Greenidge
Chairman

Governance

Registration numbers

Charity Registration Number 1096662

Company Registration Number 03577896

Structure

Groundwork Wales' governing documents are its Memorandum and Articles of Association, which were last amended by written resolution in March 2016.

Board of trustees

The board of trustees sits in accordance with the Charities Act 2011, and they are also the directors of the company in accordance with the Companies Act 2006. The majority of our trustees are co-opted, with one nominated member from Caerphilly council. We seek a broad skills base on our board of trustees to enable us to benefit from specialist expertise and networks.

We take our governance responsibilities very seriously, recognising the need to ensure as much of our resource as possible is expended on delivering our charitable mission while ensuring our organisation is strong, well-managed and financially viable in the long term.

New trustees are provided with an induction to the organisation, which includes a specific focus on their role and responsibilities.

Trustees are responsible for ensuring sound organisational systems, processes and policies are maintained and embedded in the way Groundwork UK is managed. This includes policies governing our fundraising standards, our investments and our responsibilities to our staff, volunteers and beneficiaries. We pay particular attention to issues of health and safety, safeguarding, data protection and information security, each of which has a champion on our board, and maintains comprehensive business continuity arrangements. We undertake a regular skills audit of our board to ensure we have access to the expertise needed to run our organisation efficiently, effectively and safely.

Groundwork Wales' Management Team is led by the Chief Executive and includes senior staff members responsible for financial and business management, business development, communications and fundraising and programme management. This team is fully accountable to the Board and its Committees. It operates through delegated powers outlined in our financial regulations and provides regular reports on financial and operational performance and risk management.

Related party transactions

Each Groundwork Trust is an independent charity with similar aims. We operate within a group structure and Groundwork Caerphilly is a wholly owned subsidiary. Each Groundwork Trust is therefore responsible for its own management and administration, and for developing and delivering projects that meet its objectives and core purposes. Some of the appointed trustees of Groundwork Wales are also trustees of Groundwork Caerphilly. Groundwork Caerphilly is a related party to Groundwork Wales.

Groundwork Wales has considered the other disclosure requirements of the SORP and believes that there are no other related party transactions.

Our commitments

Everything Groundwork Wales does is underpinned by a set of values, which inform the way we work and behave.

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. We do not undertake widespread fundraising from the general public.

All of our fundraising is managed internally and we do not employ commercial participators or professional third-party fundraisers. The day to day management of all income generation activity is delegated to the senior management team, who are accountable to the trustees.

Groundwork Wales is not required to be bound by any regulatory scheme.

As a charity dedicated to supporting people who may be vulnerable we are committed to ensuring our operations are delivered safely and to the highest ethical standards. We have a Groundwork-wide commitment to effective safeguarding and aim to meet best practice standards in terms of management, governance and transparent reporting.

Objectives and public benefit

Groundwork Wales' charitable objectives are set down in its Memorandum of Association and date from the interpretation of charitable activities when they were drafted in 1998, as amended at annual general meetings and by written resolution. They commit Groundwork Wales to delivering and promoting regeneration and sustainable development as follows:

The objects of the Company are firstly to promote the conservation, protection and improvement of the physical and natural environment anywhere in the area; secondly to provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for those living in or working in or resorting "to Wales"; thirdly to advance public education in environmental matters and of the ways or better conserving, protecting and improving the same wheresoever; and fourthly to promote the efficiency of other charities having objects similar to the objects of the Company.

Groundwork Wales' trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the organisation's objectives and planning future activities. In particular, the trustees consider how planned activities will contribute to the charitable objectives set out above. Further details about the impact of Groundwork Wales' activities during 2022/23 can be found on the following pages.

Our work is designed to address the needs of all sections of the community and we provide equal access to our services regardless of race, gender, disability or sexual orientation.

For further details about our work visit www.groundwork.org.uk

Strategic report for the year ended 31 March 2023

The Board of Trustees presents its report for the year ended 31 March 2023. This includes statements about our organisation (page 9), its objectives and its governance (page 5), our financial and operational review for the year (pages 7-8), our plans for the future (pages 7) and details of our trustees, senior staff and advisers (pages 49-50).

1. Performance overview

2022/23 followed a year of recovery from the global Coronavirus pandemic, when operations began to return to pre-pandemic conditions, wherever possible.

We were able to make some financial surplus in the year, as well as providing for future needs in terms of building maintenance and refurbishment. The designated fund was increased to £188,334 to have sufficient money to undertake remedial repairs to the roof and windows of the building, with the boiler replacement now complete, and building maintenance work underway.

The vast majority of activities set out in our business plan for the year have been delivered.

Tight control of our costs and good performance on existing programmes has enabled us to report a financial surplus, allowing us to continue adding gradually to reserves to meet our target of holding a year's worth of operating costs. Our social enterprise elements performed well, with trading resulting in positive financial performance, while meeting our organisational objectives.

Activity highlights

Groundwork continues to deliver a rich variety of local projects, programmes and services that are transforming lives in local communities and helping more people get involved in taking action to improve their personal circumstances and the quality of life in their area.

Last year Groundwork Wales sourced £1,086k of funding or enterprising income, with Groundwork Caerphilly sourcing funding of £0.29K to support our collective mission.

Groundwork Wales' activities have added value to communities as follows: -

Supporting communities through grants

Helping to equip communities with the skills, capacity and networks needed to bring about change in their local area has been core to Groundwork's mission since its inception. Groundwork Wales has developed its role as a grant manager on behalf of businesses and government, providing robust systems informed by feedback from community groups and supported 'on the ground' by a network of Groundwork Trust enablers. Groundwork Wales has contributed as follows.

- **The Tesco Community Grants** programme entered a new phase during the year with the small grant scheme supplemented by a 'flagship' programme to mark the celebration of Tesco's centenary. The programme continues to meet all of its KPIs, and receive positive feedback from Tesco colleagues and community groups. In 2022/23, Tesco Community Grant has provided more than £ £101 million across the UK to over 50,880 local community projects in the UK.

Programmes

We run a broad range of programmes, all of which benefit communities and individuals in line with our objectives, including:

- Healthy Rivers

- Routes2Life
- The Green Dragon Environmental Standard
- Tesco Community Grants (through Tesco Enablers)
- Greencare
- Valleys Regional Park Guardians
- Furniture Revival (Groundwork Caerphilly)
- Environment Centre
- WCVA Landfill Disposal Tax Aberbeeg
- WCVA Landfill Tax Nant yr Aber
- Santander Internship
- Corporate Social Responsibility Programme
- Dwr Cymru Water Efficiency Pilot
- Dwr Cymru Scoping
- Wellies in the Woods
- Small Woods
- Western Power
- Winter Wellbeing

The Groundwork Federation

We continue to take an active part as a member of the Federation of Groundwork Trusts, collaborating and learning from others where appropriate.

2. Our plans for the future

In order to ensure Groundwork Wales' activities are fully aligned with the needs and expectations of our wider federation, our forward plans are clearly and explicitly driven by Groundwork's collectively agreed strategy. This can be summarised as follows.

'Groundwork 2023', details how we will support communities to combat the climate and nature emergency, improve their health and wellbeing and gain access to learning and work opportunities.

Groundwork 2023 sets out the charity's ambition to become a significant, radical, national force for driving change in attitudes, behaviours, places and prospects in the local communities that need it most. The strategy commits Groundwork to achieving the following by 2023:

- Mobilise 75,000 days of voluntary action to combat the climate and nature emergency
- Connect 50,000 people with their community and nature to improve wellbeing
- Support 20,000 people into accessing learning and work

3 Financial performance

Groundwork Wales' net incoming resources for 2022/23 totalled £1.085 million (compared to £1.369 million in 2021/22), with unrestricted funds of £735k.

Our long-term financial strategy has clear and linked strands as follows:

- to manage our overhead costs to ensure discretionary spending is focused on supporting front line delivery and generating more income while maintaining the capacity we need to operate effectively and safely
- to achieve an operating surplus so that we can hold a level of reserves sufficient to sustain our charitable operations and strengthen our balance sheet to support commercial services and manage the risk of outcome-based funding arrangements

3.1 Reserves

In line with this financial strategy our trustees have agreed that we should aim to hold 3 months operating costs (circa £335K) in liquid reserves. We believe this is appropriate for the following reasons:

- to absorb short term setbacks such as loss or delays in funding
- to provide the working capital required to finance retrospective programme funding which can result in considerable timing differences between expenditure and receipt of funds
- to cover the cost of investing in staff training and development to develop new and improved services for Groundwork
- to cover the cost of developing new services, such as improved communications, research and quality and business information systems
- to set aside funds for capital assets such as ICT equipment
- to provide funding to cover any unforeseen downturn in activity, allowing alternative activity to be generated and/or a planned down-sizing of our staff team.

The above needs for reserves have to be balanced against the following factors:

- the need to be seen as a responsible charity by the Charity Commission, our partners and funders, our member Trusts within Groundwork and the communities we serve
- the need to avoid the creation or retention of unnecessary surpluses for which there is no future planned requirement or that bear no relation to our charitable aims.

Our level of free liquid reserves at the end of 2022/23 stands at £688k. Our general fund reserve does not include designated funds, which have been set aside for specific purposes, or restricted funds, which represent advance payments by funders held by Groundwork Wales pending completion of project work by Groundwork Trusts and other delivery partners.

Unrestricted reserves total £735k (2022/23 £604k).

Restricted funds can only be used in accordance with agreements reached with funders relating to programmes of work and therefore do not form part of the general reserves that are under the control of the trustees. These funds will all be distributed during 2023/24. The future movements on any such restricted funds reflect the long-term nature of Groundwork Wales programme activity and in no way reflects on the organisation's financial efficiency or performance.

The charity's subsidiary Groundwork Caerphilly reported an overall net surplus of £5,269 (2021/22 £70,604) as detailed in note 10.

3.2 Investments

The majority of the funds obtained by Groundwork Wales are provided against specified projects for particular needs and are therefore of a restricted nature.

We do not currently invest monies.

3.3 Grant making policy

Groundwork Wales delivers its mission primarily by distributing grants to other delivery partners and to community groups. These funds are considered to be performance related grants and are recognised in these financial statements to the extent that the projects which they are funding have been completed. All grant programmes have specific guidelines, criteria and priorities with a formal process of approval.

3.4 Principal funding sources

Our major sources of funding for the group during the last year are set out below.

- **Private Sector funding – £160K (£182k in 2021/22)**
This includes funds provided by businesses, trusts and foundations, most notably £38k, provided by Tesco to enable community groups to apply through the Bags of Help programme. Other major funders during 2022/23 included Bridgend County Borough Council
- **Public sector funding - £245K (£428k in 2021/22)**
This includes funding secured to deliver programmes and services on behalf of government departments, public bodies and lottery distributors.

3.5 Expenditure on charitable objectives

In line with the objectives set out in our Groundwork 2020 strategy and the Groundwork Wales business plan, our expenditure in the year was directed towards the provision of resources to support frontline delivery and ensure our organisation delivers effectively and safely.

3.6 Key Performance Indicators

Data against a number of key performance indicators is presented to our trustees on a quarterly basis to measure our success in profile raising, income generation, programme management and continual improvement. These KPIs are tracked on a rolling basis and compared to target levels of performance outlined in our annual business plan.

Monthly management accounts track progress against our financial targets and reforecasts to the year-end are made quarterly. A key performance indicator is the amount of income secured as a percentage of forecast salaries and operating costs. This informs year-end forecasts based on prior years' experience.

Performance during 2022/23 has been positive in the context of recovery from the pandemic.

3.7 Sustainable Development Report

Groundwork's charitable mission is to promote sustainable development – helping communities and individuals develop the understanding and capability to take action and make choices that deliver social equity and economic prosperity while recognising the need to live within the earth's finite natural resources. In order to have credibility as an organisation we need to demonstrate that the principles of sustainable development underpin the way we go about our work. Our sustainable development policy commits us to reporting on how these principles are integral to the way we plan and manage our operations, support our employees and utilise our resources.

- **Areas of progress**

As a team, we continue to focus on ensuring that our staff adopt more sustainable practices in the workplace, both through ongoing reinforcement of messages around electricity use and waste but also through dedicated campaigns to promote sustainable travel. We prioritise ethical suppliers in our purchasing arrangements for utilities, catering, cleaning and promotional materials. As a small team of people, we recognise the biggest impact we can make lies in the programmes we manage and the campaigns we run. Our focus is on securing funds that can help people and groups make a positive impact on the environment, but we know we can do more to provide support to all those benefiting from our programmes to act in a more environmentally responsible way. As the whole of Groundwork refreshes its strategy for the next five years we will press for a stronger focus on developing programmes and services that help communities tackle waste and climate change.

3.8 Principal risks and uncertainties

Our board of trustees understands its responsibilities under the Charity Commission's Statement of Recommended Practice (SORP) for ensuring that the major risks to which the charity is exposed are identified and reviewed, and that there are systems in place to mitigate them.

Trustees regularly review the development and operation of our risk management process and receive quarterly updates on actions put in place to mitigate the most significant ongoing risks. Risks are identified by our staff teams and reviewed on a regular basis by our management team. All of Groundwork Wales' major programmes are managed on a risk basis with individual risk registers used both as management and reporting tools. We have a comprehensive business recovery plan in place, which is designed to ensure continuity of Groundwork Wales operations in the event of a crisis or disaster situation and which has been tested through scenarios in each team.

The major areas of potential risk, for which we have active mitigation strategies in place, are as follows:

- Slow recovery in financial climate, inability to secure income and threat to bottom line and business viability
- Increased competition / Diminishing Grant funds
- Lower Business Viability/Pressure on reserves - Significant reduction in core funding WG, Significant reduction in funding Local Authorities
- Covid-19 Recovery

Groundwork Wales recognises that risk management is an essential part of good business practice and an effective mechanism of good governance. The Board is committed to ensuring that risk management processes are embedded throughout the organisation, and that these processes are used to help identify at an early stage issues that affect performance or the achievement of our purpose.

However, trustees also recognise that our process can only seek to manage rather than eliminate risk, and that it should therefore be only one of the tools that the Board uses to provide effective control and management of the administration of the charity.

3.9 Financial instruments

Groundwork Wales's financial risk management objective is broadly to seek to make neither profit nor loss from exposure to currency or interest rate risks. Our policy is to finance fixed assets and working capital through retained reserves.

4 Statement of trustees' responsibilities

The trustees, who are also the directors of Groundwork Wales for the purposes of company law, are responsible for preparing the Annual Report and 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.

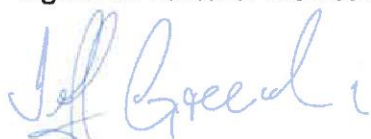
In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent, and
- 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 charity's 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.

Signed on behalf of the Board of trustees



Jeff Greenidge
Chairman

Date: 16/11/2023

Independent Auditor's Report to members of Groundwork Wales

Opinion

We have audited the financial statements of Groundwork Wales (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the consolidated Statement of Financial Activities, the consolidated and parent Balance Sheet, the consolidated Statement of Cash Flows and notes to the financial statements, including 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2023, and of the group's incoming resources and application of resources, including its income and expenditure, 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

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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating 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's or 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 other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 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's 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 set out on page 11 the trustees (who are also the directors of the parent 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 determine 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 groups and 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 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 section 144 of the Charities Act 2011 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report

Extent to which the audit was considered 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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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.

Azets Audit Services

Azets Audit Services

Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

Date: 23-11-2023.....2023

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

Groundwork Wales
Consolidated Statement of financial activities for the year ended 31 March 2023
Including Income and Expenditure Account

	Note	2023 Un- restricted funds £	2023 Restricted funds £	2023 Total £	2022 Total As restated £
Income From:					
Donations and legacies	2	4,702	2,000	6,702	64,281
Charitable activities	3	1,085,159	286,993	1,372,152	1,610,180
Other income	2	287	-	287	984
TOTAL		<u>1,090,148</u>	<u>288,993</u>	<u>1,379,141</u>	<u>1,675,445</u>
Expenditure on:					
Charitable activities	4	965,051	319,549	1,284,600	1,478,781
TOTAL		<u>965,051</u>	<u>319,549</u>	<u>1,284,600</u>	<u>1,478,781</u>
Net income/(expenditure)	7	125,097	(30,556)	94,541	196,664
Transfers between funds	16	30,095	(30,095)	-	-
Net movement in funds		<u>155,192</u>	<u>(60,651)</u>	94,541	196,664
Reconciliation of funds					
Fund balances brought forward	16	721,146	244,862	966,008	769,344
Fund balances carried forward	15,16	<u>876,338</u>	<u>184,211</u>	<u>1,060,549</u>	<u>966,008</u>

Incoming resources and resources expended derive from continuing operations.

The company has no other recognised gains or losses other than those passing through the statement of financial activities.

The statement of financial activities also complies with the requirement for an income and expenditure account under the Companies act 2006.

The notes pages 21 to 50 form part of these financial statements.

Groundwork Wales
Charity Statement of financial activities for the year ended 31 March 2023
Including Income and Expenditure Account

	Note	2023 Unre- stricted funds £	2023 Restricted funds £	2023 Total £	2022 Total £
Income From:					
Donations and legacies	2	4,157	2,000	6,157	7,350
Charitable activities	3	801,798	277,863	1,079,661	1,361,841
TOTAL		<u>805,955</u>	<u>279,863</u>	<u>1,085,818</u>	<u>1,369,191</u>
Expenditure on:					
Charitable activities	4	705,109	291,438	996,547	1,243,130
TOTAL		<u>705,109</u>	<u>291,438</u>	<u>996,547</u>	<u>1,243,130</u>
Net income/(expenditure)	7	100,846	(11,575)	89,271	126,061
Transfers between funds	16	30,095	(30,095)	-	-
Net movement in funds	7	<u>130,941</u>	<u>(41,670)</u>	<u>89,271</u>	<u>126,061</u>
Reconciliation of funds					
Fund balances brought forward	16	604,938	55,795	660,733	534,672
Fund balances carried forward	15,16	<u>735,879</u>	<u>14,125</u>	<u>750,004</u>	<u>660,733</u>

Incoming resources and resources expended derive from continuing operations.

The company has no other recognised gains or losses other than those passing through the statement of financial activities.

The statement of financial activities also complies with the requirement for an income and expenditure account under the Companies Act 2006.

The notes pages 20 to 51 form part of these financial statements.

Groundwork Wales
Consolidated Balance sheet at 31 March 2023

Company number 03577896	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Intangible assets	8		1,280		2,678
Tangible assets	9		209,431		233,472
			<u>210,711</u>		<u>236,150</u>
Current assets					
Stock		9,032		11,109	
Debtors	11	252,307		225,484	
Cash at bank		852,054		731,713	
		<u>1,113,393</u>		<u>968,306</u>	
Creditors: amounts falling due within one year	12	(263,555)		(238,448)	
Net current assets			<u>849,838</u>		<u>729,858</u>
Net assets			<u>1,060,549</u>		<u>966,008</u>
Reserves					
Unrestricted funds:					
General Funds	16	688,004		579,882	
Designated funds	16	188,334		141,264	
Total Unrestricted funds	16		<u>876,338</u>		<u>721,146</u>
Restricted funds	16		184,211		244,862
			<u>1,060,549</u>		<u>966,008</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

These financial statements were approved by the Board of trustees and authorised for issue on 16/11/2023 2023 and were signed on its behalf by:


Mr J D Greenidge
Chairman

The notes pages 20 to 51 form part of these financial statements.

Groundwork Wales

Charity Balance sheet at 31 March 2023

Company number 03577896	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	9		40,418		47,083
Current assets					
Debtors	11	537,418		376,078	
Cash at bank		362,609		438,844	
		<u>900,027</u>		<u>814,922</u>	
Creditors: amounts falling due within one year	12	(190,441)		(201,272)	
Net current assets			<u>709,586</u>		<u>613,650</u>
Net assets			<u>750,004</u>		<u>660,733</u>
Reserves					
Unrestricted funds:					
General Funds	16	617,248		546,474	
Designated funds	16	118,631		58,464	
Total Unrestricted funds	16		<u>735,879</u>		<u>604,938</u>
Restricted funds	16		14,125		55,795
			<u>750,004</u>		<u>660,733</u>

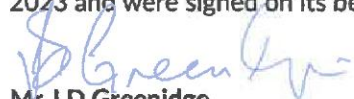
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Chairman

The notes pages 20 to 51 form part of these financial statements.

Groundwork Wales

Cash flow statement for the year ended 31 March 2023

	Note	2022/23 £	2021/22 £
Cash flow from operating activities			
Net cash provided by operating activities	20	136,399	196,115
Cash flows from investing activities			
Dividends, interest and rents from investments			-
Purchase of property, plant and equipment		(16,058)	(101,426)
Proceeds from the disposal of fixed assets		-	4,667
Net cash provided by investment activities		<u>(16,058)</u>	<u>(96,759)</u>
Change in cash and cash equivalents in the reporting period		120,341	99,356
Cash and cash equivalents at the beginning of the reporting period		731,713	632,357
Cash and cash equivalents at the end of the reporting period		<u>852,054</u>	<u>731,713</u>

The notes pages 20 to 51 form part of these financial statements.

Groundwork Wales

Notes forming part of the financial statements for the year ended 31 March 2023

1 Charity Information

Groundwork Wales is a private company limited by guarantee incorporated in England and Wales. The registered office is Ty Mynyddislwyn, Bryn Road, Pontllanfraith, Blackwood, Gwent, NP12 2PH.

Accounting Policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the charity's financial statements.

Basis of Preparation

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (Effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention.

No separate cash flow statement has been presented for the charity itself as the charity has taken advantage of the exemptions in paragraph 1.12 of FRS 102.

Rounding

Figures contained in the financial statements have been rounded to the nearest pound.

Presentation of the accounts on a going concern basis

The charity reported a net unrestricted inflow of £130,941 (after transfers between reserves) for the year. The group reported a net unrestricted inflow of £155,192 (after transfers between reserves) for the year. This charity has sufficient free reserves and is monitoring results on a frequent basis. The trustees are of the view that on this basis the charity is a going concern and there are no material uncertainties about the charity's ability to continue as a going concern.

Basis of consolidation

The financial statements represent the consolidated financial position of the group. This comprises Groundwork Caerphilly and GC Enterprises (Wales) Limited. Groundwork Caerphilly is a subsidiary of Groundwork Wales and Groundwork Caerphilly own 100% of the share capital of GC Enterprises (Wales) Limited, which is now dormant.

The financial statements are consolidated on a line-by-line basis and cover the consolidated financial position and transactions of all companies controlled by the charity from the date of acquisition. All intra group transactions are eliminated on consolidation.

Fund accounting

Unrestricted funds are available for use at the discretion of the directors in furtherance of the Trust's general objectives.

Restricted funds are funds subject to specific restrictive conditions imposed by the terms of the grant or funding body.

Designated funds are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income and grants are included in incoming resources when receivable, except as follows: -

- When donors specify that the grants must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.
- When donors specify that grants are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Allocation of expenditure

Expenditure incurred by the charity in the year has been split between restricted and unrestricted funds. Costs have been analysed between direct charitable expenditure, fundraising and publicity and the administration and management of the charity. Expenditure relating directly to a cost category has been charged to that account. Expenditure, which includes more than one cost category, has been apportioned on a reasonable, justifiable and consistent basis to the categories involved. Committed expenditure that has yet to be invoiced is, in line with best accounting practice, not recognised in these accounts. It is intended that such expenditure will be funded by future income flows.

Charitable activities

This includes all expenditure directly related to the aims of the charity as follows:

- To promote the conservation, protection and improvement of the physical and natural environment.
- To provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for those living, working and visiting in the area.
- To advance public education in environmental matters and in the ways of better conserving, protecting and improving the environment.

Governance costs

These costs include the costs of governance arrangements, which relate to the general running of Groundwork Wales as opposed to the direct management functions inherent in generating funds, service delivery and programme of project work. These include such items as external audit, legal advice for trustees and costs associated with constitutional and statutory requirements.

Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure has been allocated to management and administration of the trust, where it relates to the management of the trust's assets, organisational administration and compliance with constitutional and statutory requirements.

Resources expended are recognised in the period in which they are incurred.

Intangible assets

Intangible assets are capitalised at cost and amortised over its expected useful life. The amortisation rate used is 20% on cost.

Tangible fixed assets

Fixed assets are capitalised at cost. Depreciation is calculated so that the cost of tangible assets or valuation less any residual value is written off over their estimated useful lives on the following basis:-

Computers	33.33% on cost
Office Equipment	20% on cost
Plant and Machinery	20% on cost
Buildings	2.5% on cost
Land	0% on cost
Motor Vehicles	20% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based on the estimated selling price after taking into account all further costs and excess stocks that are slow moving.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Capital grants received

Grants that relate to capital expenditure on specific projects are treated as restricted funds that are charged to the income and expenditure account at acquisition. This treatment is due to the nature of the funding as the grants are received to provide equipment to specifically run the projects and services.

Operating lease costs

The rentals under operating leases, where substantially all the benefits and risks of ownership remain with the lessor, are charged against profit as incurred.

Liabilities policy

Liabilities are recognised in the Statement of Financial Activities as they become payable.

Employee Benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Pensions

The charity operates a defined contribution scheme for the benefit of its employees. The assets of the scheme are held separately from those of the charity. Contributions payable are charged to the profit and loss account in the year they are payable and are charged against unrestricted funds.

Taxation

As a registered charity, Groundwork Wales is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

Critical accounting estimates and judgements

In the application of charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Prior Period Adjustment

The following prior period adjustments have been made to the charity's prior period figures:

DR Expenditure £22,082

CR Income £22,082

The adjustment relates to reclassification of recharged costs. The analysis between direct costs and support costs have also been adjusted.

A further adjustment has been made the group prior period figures:

DR Income £32,000

CR Expenditure £32,000

The adjustment relates to a donation made from the parent charity to the subsidiary and should have been eliminated on consolidation.

The adjustments have not impacted the results for the prior year or the overall reserves balance at the year end.

2 Incoming resources

Incoming resources from generated funds

	2023 Unrestricted £	2023 Restricted £	2023 Total £	2022 Total £
Voluntary income				
Group				
Donations	4,702	2,000	6,702	64,281
	<u>4,702</u>	<u>2,000</u>	<u>6,702</u>	<u>64,281</u>
Charity				
Donations	4,157	2,000	6,157	7,350
	<u>4,157</u>	<u>2,000</u>	<u>6,157</u>	<u>7,350</u>
Other trading activities				
Group				As restated
Trading company income	287	-	287	984
	<u>287</u>	<u>-</u>	<u>287</u>	<u>984</u>

3 Incoming resources

Incoming resources from charitable activities provided by:

	2023 Unrestricted	2023 Restricted	2023 Total	2022 Total
<u>Group</u>	£	£	£	£
Welsh Assembly	-	210,000	210,000	412,764
Public Agencies and National Charities	232,012	43,903	275,915	428,255
Local Authority	407,510	24,090	431,600	343,600
Private Sector	445,637	9,000	454,637	425,561
	<u>1,085,159</u>	<u>286,993</u>	<u>1,372,152</u>	<u>1,610,180</u>

	2023 Unrestricted	2023 Restricted	2023 Total	2022 Total
<u>Charity</u>	£	£	£	As restated £
Welsh Assembly	-	210,000	210,000	404,536
Public Agencies and National Charities	207,012	34,773	241,785	428,255
Local Authority	398,292	24,090	422,382	325,164
Private Sector	157,772	9,000	166,772	181,804
Other income	38,722	-	38,722	22,082
	<u>801,798</u>	<u>277,863</u>	<u>1,079,661</u>	<u>1,361,841</u>

Included within charitable activities are the following government grants:

	2023	2022
	£	£
Department of Work and Pensions	3,745	63,325
Caerphilly County Borough Council	26,693	18,436
Welsh Government	210,000	403,967
Bridgend County Borough Council	398,292	306,500
Natural Resources Wales	195	8,261
	<u>638,925</u>	<u>800,489</u>

4 Charitable activities

Expenditure on projects related to the following activities:

<u>Group</u>	2023 Total £	2022 Total As restated £
Direct costs		
Staff Costs	596,007	705,241
Volunteer Costs	3,359	5,587
Material & direct purchases	75,748	121,998
Subcontractors & Consultancy	120,399	213,463
Training and Recruitment	16,904	20,051
Project Travel and Transport	39,574	42,083
Project Publicity	13,269	20,603
Trainee allowances and expenses	1,821	45,916
Professional Fees	69,696	67,302
Administration & Sundry	1,469	2,504
Communications & IT	4,743	6,076
Motor, travel & expenses	484	200
Premises expenses	77,294	3,518
Depreciation	28,392	-
	<u>1,049,159</u>	<u>1,254,542</u>
Support costs		
Staff Costs	142,270	116,384
Recruitment & Training	3,587	225
Premises Expenses	22,015	19,285
Depreciation	-	26,030
Motor travel and expenses	6	-
Communications & IT	15,063	15,754
Administration & Sundry	6,264	4,047
Governance	46,236	42,514
	<u>235,441</u>	<u>224,239</u>
Total	<u>1,284,600</u>	<u>1,478,781</u>
Analysed between:		
Unrestricted	965,051	901,374
Restricted	319,549	577,407
	<u>1,284,600</u>	<u>1,478,781</u>

4 Charitable activities (continued)

Expenditure on projects related to the following activities:

	2023 Total £	2022 Total As restated £
Charity		
Direct costs		
Staff Costs	454,199	564,140
Volunteer Costs	2,268	4,873
Material & direct purchases	31,712	72,269
Subcontractors & Consultancy	120,199	213,463
Training and Recruitment	45,589	52,051
Project Travel and Transport	22,938	14,070
Project Publicity	13,185	19,900
Trainee allowances and expenses	1,821	45,916
Professional fees	69,696	67,302
Communications & IT	1,789	5,380
Administration & Sundry	1,023	1,219
Motor travel and expenses	243	-
Premises Expenses	3,054	(4,268)
Depreciation	11,286	8,722
Recharged staff costs	38,722	22,082
	<u>817,724</u>	<u>1,087,119</u>
Support costs		
Staff Costs	108,113	87,955
Recruitment & Training	3,587	225
Premises Expenses	15,837	13,527
Motor Travel and Expenses	6	-
Communications & IT	14,233	15,098
Administration & Sundry	5,627	3,696
Governance	31,420	35,510
	<u>178,823</u>	<u>156,011</u>
Total	<u>996,547</u>	<u>1,243,130</u>
Analysed between:		
Unrestricted	705,109	693,473
Restricted	291,438	549,657
	<u>996,547</u>	<u>1,243,130</u>

The charity paid grants to the following institutions during the period:

	2023 £	2022 £
Groundwork North Wales	105,000	125,000
	<u>105,000</u>	<u>125,000</u>

5 Employees

The average monthly number of employees during the year was as follows.

<u>Group</u>	2023	2022
Direct charitable	24	34
Management and admin	7	7
	<u>31</u>	<u>41</u>

Charity

Direct charitable	16	25
Management and admin	7	6
	<u>23</u>	<u>31</u>

The aggregated cost of these persons was as follows.

<u>Group</u>	2023 £	2022 £
Wages and salaries	636,389	725,694
Social security costs	63,860	56,482
Pension costs	38,030	39,449
	<u>738,279</u>	<u>821,625</u>
 <u>Charity</u>		As restated
Wages and salaries	479,900	567,033
Social security costs	50,250	50,383
Pension costs	32,139	34,679
Staff Costs Recharged to Groundwork Caerphilly	38,722	22,082
	<u>601,011</u>	<u>674,177</u>

The emoluments of employees (excluding pension contributions) over £60,000 per annum are disclosed in £10,000 bands as follows.

	2023 No.	2022 No.
£60,000 - £70,000	-	-
	-	-

Key management personnel

The key senior management personnel of the charity are as detailed in the Trustees report with a total cost in 2023 of £198,598 (2022: £183,271). Total contributions under defined contribution schemes on behalf of these higher paid employees were £12,275 (2022: £11,751).

6 Transactions with trustees

No trustees received any remuneration for services performed on behalf of the charity.

No trustee expenses were paid during the current or previous year.

7 Net incoming resources

<u>Group</u>	2023 £	2022 £
Net incoming resources for the year is stated after charging:		
Auditor's remuneration:	11,892	10,285
Depreciation of owned fixed assets	26,996	24,693
Operating lease rentals	1,690	1,656
Amortisation	1,398	1,398
	-----	-----
<u>Charity</u>		
Net incoming resources for the year is stated after charging:		
Auditor's remuneration:	7,092	6,325
Operating lease rentals	1,690	1,656
Depreciation of owned fixed assets	11,286	8,722
	-----	-----

8 Intangible fixed assets

<u>Group</u>	IT equipment £
<i>Cost</i>	
At 1 April 2022	6,988
At 31 March 2023	<u>6,988</u>
<i>Amortisation</i>	
At 1 April 2022	4,310
Amortisation charge	1,398
At 31 March 2023	<u>5,708</u>
<i>Net book value</i>	
At 31 March 2023	<u>1,280</u>
<i>Net book value</i>	
At 31 March 2022	<u>2,678</u>

9 Tangible assets

<u>Group</u>	Plant and machinery	Motor vehicles	Buildings	Total
<i>Cost or Valuation</i>				
At 1 April 2022	12,216	114,576	150,000	276,792
Additions	208	15,850	-	16,058
Disposals	(3,960)	(15,500)	-	(19,460)
At 31 March 2023	<u>8,464</u>	<u>114,926</u>	<u>150,000</u>	<u>273,390</u>
<i>Depreciation</i>				
At 1 April 2022	7,613	15,082	20,625	43,320
Charged for the year	3,197	23,799	1,875	28,871
Disposals	(3,961)	(4,271)	-	(8,232)
At 31 March 2023	<u>6,849</u>	<u>34,610</u>	<u>22,500</u>	<u>63,959</u>
<i>Net book value</i>				
At 31 March 2023	<u>1,615</u>	<u>80,316</u>	<u>127,500</u>	<u>209,431</u>
At 31 March 2022	<u>4,603</u>	<u>99,494</u>	<u>129,375</u>	<u>233,472</u>

<u>Charity</u>	Plant and machinery	Motor Vehicles	Total
<i>Cost or Valuation</i>			
At 1 April 2022	11,586	44,495	56,081
Additions	-	15,850	15,850
Disposals	(3,960)	(13,750)	(17,710)
At 31 March 2023	<u>7,626</u>	<u>46,595</u>	<u>54,221</u>
<i>Depreciation</i>			
At 1 April 2022	7,587	1,411	8,998
Charged for the year	2,845	8,441	11,286
Disposals	(3,960)	(2,521)	(6,481)
At 31 March 2023	<u>6,472</u>	<u>7,331</u>	<u>13,803</u>
<i>Net book value</i>			
At 31 March 2023	<u>1,154</u>	<u>39,264</u>	<u>40,418</u>
<i>Net book value</i>			
At 31 March 2022	<u>3,999</u>	<u>43,084</u>	<u>47,083</u>

10 Charitable Subsidiary

Groundwork Caerphilly

On 1 February 2015 the charity became a subsidiary of Groundwork Wales, Groundwork Caerphilly is a charitable company, limited by guarantee and incorporated on 14 May 1990 in England and Wales. Company number 02501792, charity number 1006811 - registered 13 December 1991. The objects of the charity are:

- To promote firstly the conservation protection and improvement of the physical and natural environment.
- To provide facilities in the interests of social welfare for recreation and leisure.
- To advance public education in environmental matters and of better ways of better conserving protecting and improving the same.

A summary of the results are shown below:

	Year ended 31 March 2023 £	Year ended 31 March 2022 £
Summary Income and Expenditure Account:		
Total income	384,872	373,614
Total expenditure	(379,603)	(303,010)
Surplus/(Deficit) for the financial year	<u>5,269</u>	<u>70,604</u>
 Summary Balance Sheet:		
Total assets	684,868	507,228
Total liabilities	(374,224)	(201,853)
Net assets	<u>310,644</u>	<u>305,375</u>
Restricted funds carried forward	169,006	116,308
Unrestricted funds carried forward	<u>141,638</u>	<u>189,067</u>
	<u>310,644</u>	<u>305,375</u>

11 Debtors

<u>Group</u>	2023 £	2022 £
Trade debtors	102,231	116,414
Prepayments and Accrued Income	145,252	109,070
VAT	4,824	-
	<u>252,307</u>	<u>225,484</u>
 <u>Charity</u>		
Trade debtors	98,816	106,713
Amounts due from group entities	301,110	164,697
Prepayments and Accrued Income	137,492	104,668
	<u>537,418</u>	<u>376,078</u>

12 Creditors

<u>Group</u>	2023 £	2022 £
Trade Creditors	68,276	38,607
Accruals & Deferred Income	189,550	188,102
VAT	5,627	11,689
Other creditors	102	50
	<u>263,555</u>	<u>238,448</u>
 <u>Charity</u>		
Trade Creditors	23,298	33,559
Accruals & Deferred Income	161,516	157,558
VAT	5,627	10,105
Other creditors	-	50
	<u>190,441</u>	<u>201,272</u>

13 Deferred income

Contained in the accruals and deferred balance above is deferred income in relation to performance related grants and contracts which relates to the 2023/23 financial year.

Group

	Balance at 1 April 2022 £	Transferred to deferred income £	Transferred from deferred income £	Balance at 31 March 2023 £
Programmes	27,196	63,185	(20,862)	69,519

Deferred income related to income received for programmes with delivery in the next year.

Charity

	Balance at 1 April 2022 £	Transferred to deferred income £	Transferred from deferred income £	Balance at 31 March 2023 £
Programmes	27,196	60,190	(20,862)	66,524

Deferred income related to income received for programmes with delivery in the next year.

14 Operating leases

<u>Group</u>	Land & Buildings		Other	
	2023 £	2022 £	2023 £	2022 £
Due in 1 year	-	-	1,690	694
Due in 2-5 years	-	-	3,245	-
	<u>-</u>	<u>-</u>	<u>4,935</u>	<u>694</u>
<u>Charity</u>			Other	
			2023 £	2022 £
Due in 1 year			1,690	694
Due in 2-5 years			3,245	-
			<u>4,935</u>	<u>694</u>

15 Analysis of net assets at 31 March 2023

<u>Group</u>	Unrestricted funds £	Restricted funds £	Total £
Intangible & Tangible fixed assets	40,625	170,086	210,711
Net current assets	835,713	14,125	849,838
	<u>876,338</u>	<u>184,211</u>	<u>1,060,549</u>
 <u>Charity</u>			
Tangible fixed assets	40,418	-	40,418
Net current assets	695,461	14,125	709,586
	<u>735,879</u>	<u>14,125</u>	<u>750,004</u>

Previous year

<u>Group</u>	Unrestricted funds £	Restricted funds £	Total £
Intangible & Tangible fixed assets	47,083	189,067	236,150
Net current assets	674,063	55,795	729,858
	<u>721,146</u>	<u>244,862</u>	<u>966,008</u>
 <u>Charity</u>			
Tangible fixed assets	47,083	-	47,083
Net current assets	557,855	55,795	613,650
	<u>604,938</u>	<u>55,795</u>	<u>660,733</u>

16 Statement of funds

Unrestricted funds

<u>Group</u>	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
General funds	579,882	1,090,148	(904,881)	(77,145)	688,004
Designated funds	141,264	-	(60,170)	107,240	188,334
At 31 March 2023	721,146	1,090,148	(965,051)	30,095	876,338

Charity

General funds	546,474	805,955	(688,036)	(47,145)	617,248
Designated funds	58,464	-	(17,073)	77,240	118,631
At 31 March 2023	604,938	805,955	(705,109)	30,095	735,879

Previous year

<u>Group</u>	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
General funds	509,744	983,938	(881,800)	(32,000)	579,882
Designated funds	85,421	43,417	(19,574)	32,000	141,264
At 31 March 2022	595,165	1,027,355	(901,374)	-	721,146

Charity

General funds	491,730	742,842	(688,099)	-	546,473
Designated funds	20,421	43,417	(5,374)	-	58,464
At 31 March 2022	512,151	786,259	(693,473)	-	604,937

16 Statement of funds (continued)

The income funds of the company included the following designated funds which have been set aside out of unrestricted funds by the Trustees in respect of providing for future building maintenance.

Designated funds

<u>Group</u>	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Building maintenance costs - GWC	82,800	-	(43,097)	30,000	69,703
Building maintenance costs - GWW	904	-	(163)	-	741
Cardiff City Council Donation	17,099	-	(4,019)	-	13,080
Food Sense Wales	6,368	-	(6,368)	-	-
Office Deco	1,100	-	(1,100)	-	-
Marketing	2,000	-	(830)	-	1,170
2xVan Dep	23,993	-	(4,422)	-	19,571
BD Consultancy	2,000	-	-	-	2,000
Translation	5,000	-	(171)	-	4,829
Salaries & overheads 2023/24	-	-	-	77,240	77,240
At 31 March 2023	141,264	-	(60,170)	107,240	188,334

Charity

Building maintenance costs	904	-	(163)	-	741
Cardiff City Council Donation	17,099	-	(4,019)	-	13,080
Food Sense Wales	6,368	-	(6,368)	-	-
Office Deco	1,100	-	(1,100)	-	-
Marketing	2,000	-	(830)	-	1,170
2xVan Dep	23,993	-	(4,422)	-	19,571
BD Consultancy	2,000	-	-	-	2,000
Translation	5,000	-	(171)	-	4,829
Salaries & overhead 2023/24	-	-	-	77,240	77,240
At 31 March 2023	58,464	-	(17,073)	77,240	118,631

16 Statement of funds (continued)

Designated Funds (continued)

Previous year

<u>Group</u>	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
Building maintenance costs Cardiff City Council	66,000	-	(14,296)	32,000	83,704
Donation	8,000	9,324	(225)	-	17,099
Food Sense Wales	11,421	-	(5,053)	-	6,368
Office Deco	-	1,100	-	-	1,100
Marketing	-	2,000	-	-	2,000
2xVan Dep	-	23,993	-	-	23,993
BD Consultancy	-	2,000	-	-	2,000
Translation	-	5,000	-	-	5,000
At 31 March 2022	85,421	43,417	(19,574)	32,000	141,264

<u>Charity</u>	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
Building maintenance costs Cardiff City Council	1,000	-	(96)	-	904
Donation	8,000	9,324	(225)	-	17,099
Food Sense Wales	11,421	-	(5,053)	-	6,368
Office Deco	-	1,100	-	-	1,100
Marketing	-	2,000	-	-	2,000
2xVan Dep	-	23,993	-	-	23,993
BD Consultancy	-	2,000	-	-	2,000
Translation	-	5,000	-	-	5,000
At 31 March 2022	20,421	43,417	(5,374)	-	58,464

16 Statement of funds (continued)

Restricted funds	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
<u>Group</u>					
ACT (Traineeships)	594	-	-	-	594
Business Resilience Fund	330	-	(330)	-	-
Circular Economy fund	50,289	-	(10,306)	-	39,983
Cwtsh	-	4,314	(4,314)	-	-
Garfield Weston (Capital)	9,032	-	(6,600)	-	2,432
Get Together (FSW)	11,217	1,150	(12,367)	-	-
Groundwork Wellbeing (WG) Heritage Fund	1,363	-	-	-	1,363
NatWest Enterprise Officer	228	-	-	-	228
Nurture, Equip, Thrive	2,667	-	-	-	2,667
Pen Bryn Oer	-	4,816	(4,816)	-	-
Postcode Lottery (R2L)	1,899	-	-	-	1,899
Regeneration [WG]	-	210,000	(210,000)	-	-
Routes to life	506	34,193	(34,193)	-	506
Santander Internship	-	1,000	(1,028)	28	-
Tesco Enablers	30,123	-	-	(30,123)	-
Tesco Play	6,652	-	-	-	6,652
Ty Mynyddislwyn Environment Centre	129,375	-	(1,875)	-	127,500
Welsh Government – ENRaW	215	-	-	-	215
WCVA – Landfill Disposals Tax Communities Scheme Grant - Aberbeeg	-	19,839	(19,839)	-	-
WCVA – Landfill Disposals Tax Communities Scheme Grant – Nant yr Eber	-	13,681	(13,681)	-	-
Windpower Community Fund	372	-	(200)	-	172
At 31 March 2023	244,862	288,993	(319,549)	(30,095)	184,211

16 Statement of funds (continued)

Restricted funds (continued)

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Charity					
ACT (Traineeships)	594	-	-	-	594
Business Resilience Fund	330	-	(330)	-	-
Get Together (FSW)	11,217	1,150	(12,367)	-	-
Groundwork Wellbeing (WG)	1,363	-	-	-	1,363
NatWest Enterprise Officer	228	-	-	-	228
Nurture, Equip, Thrive	2,667	-	-	-	2,667
Postcode Lottery (R2L)	1,900	-	-	-	1,900
Regeneration [WG]	-	210,000	(210,000)	-	-
Routes to life	506	34,193	(34,193)	-	506
Santander Internship	-	19,839	(19,839)	-	-
Tesco Enablers	30,123	-	-	(30,123)	-
Tesco Play	6,652	-	-	-	6,652
WCVA – Landfill Disposals Tax Communities Scheme Grant	-	1,000	(1,028)	28	-
WCVA – Landfill Disposals Tax Communities Scheme Grant – Aberbeeg	-	13,681	(13,681)	-	-
Welsh Government – ENRaW	215	-	-	-	215
At 31 March 2023	55,795	279,863	(291,438)	(30,095)	14,125

16 Statement of funds (continued)

Restricted funds

ACT Traineeships – funding provided towards providing traineeships.

Business Resilience Fund - Welsh Government – Business Resilience provided funds towards core costs and the purchase of equipment for staff working remotely during Corvid 19 lockdown.

Circular Economy Fund – The fund was open to local authorities to help Wales Shift towards a circular economy driving further increases in recycling and decarbonisation. In 2021/22, this included the donation of two vehicles to the charity. The depreciation cost is shown in resources expended.

Cwtsh – The funding was received to support The Furniture Revival in Rhymney.

Garfield Weston – grant funding provided for capital. The depreciation cost is shown in resources expended.

Get Together (FSW) - The fund aims to influence how food is produced and consumed in Wales, ensuring that sustainable food, farming and fisheries are at the heart of a just, connected and prosperous food system.

Groundwork Wellbeing (WG) Heritage Fund - Funding a broad range of projects that connect people and communities to the national, regional and local heritage of the UK.

NatWest Enterprise Officer - funding to employ a member of staff to offer financial literacy skills to beneficiaries.

Nurture, Equip, Thrive - This is a European funded programme which supports people to undertake health and wellbeing activity when they are off work sick, and also helps organisations to help their workforces to stay healthy and fit at work, preventing illness and supporting wellbeing.

Pen Bryn Oer – The funding was received to support community groups who offer vital services.

Postcode Lottery (R2L) - The aim of the fund is to support smaller charities and good causes to make a difference to their community for the benefit of people and the planet.

Regeneration [WG] - This core funding continues to support our organisation with a focus on town centre work.

16 Statement of funds (continued)

Routes to life – We continue to run our horticultural project; providing placements for a wide range of clients and volunteers.

Santander Internship – to fund 100 hours of work experience for a marketing intern.

Tesco Enablers

We continue to operate as a partner to the Tesco Bags of Help programme, which supports community groups to apply for funding raised through the sales of carrier bags.

Tesco Play - Tesco Bags of Help is funded a series of small, localised environmental conservation sessions for families and children. The sessions will be delivered on a range of community green space sites across South Wales.

Ty Mynyddiswyn Environment Centre - This represents funding provided to purchase the property under the capital asset transfer scheme. The depreciation cost is shown in resources expended.

Welsh Government – ENRaW - Our We Care programme enables us to provide opportunities for people to participate in Green Teams, Volunteering and Education whilst also achieving accreditation. The Programme supports the biodiversity and community ownership of green spaces and we work in partnership with Groundwork North Wales.

WCVA – Landfill Disposals Tax Communities Scheme Grant - Aberbeeg - To support Aberbeeg Community Centre to make better use of its green space, including installation of seating area and planting of fruit trees. Funding term: 1 year from 1st December 2020.

WCVA – Landfill Disposals Tax Communities Scheme Grant – Nant yr Eber - Working through the Landfill Disposals Tax grant, with Welsh Water, Natural Resources Wales, local schools and community members and Cardiff Rivers Group, we undertook a clean-up programme on the Nant-yr-Aber, in Caerphilly working from the source of the Nant-yr-Aber in Abertridwr to its confluence with the River Rhymney in Caerphilly.

Windpower Community Fund – grant funding provided for capital. The depreciation cost is shown in resources expended.

Transfers

During the year it has been agreed with the funder that the Tesco Enabler fund is unrestricted. A transfer has to unrestricted funds has been recognised.

16 Statement of funds (continued)

Restricted funds

Previous year

<u>Group</u>	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
ACT (Traineeships)	594	-	-	-	594
Business Resilience Fund	-	568	(238)	-	330
Circular Economy fund	-	56,931	(6,642)	-	50,289
D'Oyly Carte	-	2,362	-	(2,362)	-
Garfield Weston (Capital)	18,860	-	(9,828)	-	9,032
Get Together (FSW)	11,421	15,053	(15,257)	-	11,217
Grantscape	776	-	(776)	-	-
Groundwork Wellbeing (WG)	-	33,886	(32,523)	-	1,363
Job Retention Scheme	-	21,301	(21,301)	-	-
NatWest Enterprise Officer	228	-	-	-	228
Nurture, Equip, Thrive	2,667	-	-	-	2,667
Postcode Lottery (R2L)	-	15,449	(13,550)	-	1,899
Regeneration [WG]	-	125,000	(125,000)	-	-
Routes to life	744	18,436	(18,674)	-	506
Tesco Enablers	-	46,500	(16,377)	-	30,123
Tesco Play	6,652	-	-	-	6,652
Ty Mynyddislwyn Environment Centre	131,250	-	(1,875)	-	129,375
Welsh Government - ENRaW	215	265,896	(265,896)	-	215
WCVA	-	16,554	(18,916)	2,362	-
WCVA - Landfill Disposals Tax Communities Scheme Grant	-	30,154	(30,154)	-	-
Windpower Community Fund	772	-	(400)	-	372
At 31 March 2022	174,179	648,090	(577,407)	-	244,862

16 Statement of funds (continued)

Restricted funds

Previous year

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
<u>Charity</u>					
ACT (Traineeships)	594	-	-	-	594
Business Resilience Fund	-	568	(238)	-	330
D'Oyly Carte	-	2,362	-	(2,362)	-
Get Together (FSW)	11,421	15,053	(15,257)	-	11,217
Groundwork Wellbeing (WG)	-	33,886	(32,523)	-	1,363
Job Retention Scheme	-	13,072	(13,072)	-	-
NatWest Enterprise Officer	228	-	-	-	228
Nurture, Equip, Thrive	2,667	-	-	-	2,667
Postcode Lottery (R2L)	-	15,450	(13,550)	-	1,900
Regeneration [WG]	-	125,000	(125,000)	-	-
Routes to life	744	18,436	(18,674)	-	506
Tesco Enablers	-	46,500	(16,377)	-	30,123
Tesco Play	6,652	-	-	-	6,652
WCVA: Active Inclusion	-	16,554	(18,916)	2,362	-
WCVA – Landfill Disposals Tax Communities Scheme Grant	-	30,154	(30,154)	-	-
Welsh Government – ENRaW	215	265,896	(265,896)	-	215
At 31 March 2022	22,521	582,931	(549,657)	-	55,795

17. STATUS

Groundwork Wales is a company limited by guarantee, not having a share capital, exempt from the requirement to use the word 'limited' and is a registered charity. The liability of each member under the guarantee is limited to £1.

From 1 February 2015 Groundwork Caerphilly became a subsidiary of Groundwork Wales, that in turn owns 100% of the issued share capital of GC Enterprises (Wales) Limited. G C Enterprises (Wales) Limited has been dormant since 1 January 2018.

18. PENSION SCHEMES – GROUP

The group contributes to employee's own personal pension schemes. The pension cost charge represents contributions paid by the group to the individual schemes and amounted to £56,141 (2022: £55,153) during the year. At the year-end £nil (2022: £nil) was accrued in respect of contributions to the scheme.

PENSION SCHEMES – CHARITY

The Charity contributes to employee's own personal pension schemes. The pension cost charge represents contributions paid by the Charity to the individual schemes and amounted to £50,250 (2022: £50,383) during the year. At the year-end £nil (2022: £nil) was accrued in respect of contributions to the scheme.

19. RELATED PARTY TRANSACTIONS

From 1 February 2015 Groundwork Caerphilly became a subsidiary of Groundwork Wales. Groundwork Caerphilly owns 100% of the issued share capital of its trading subsidiary GC Enterprises (Wales) Limited.

The charity was owed £301,110 (2022: £164,697) by Groundwork Caerphilly at 31 March 2023.

During the year the charity was recharged £22,828 (2022: £13,277) by Groundwork Caerphilly for expenditure made on its behalf and recharged salary costs of £1,576.

During the year the charity recharged £38,722 (2022: £22,082) to Groundwork Caerphilly for salary costs.

During the year the charity donated £30,000 (2022: £32,000) to Groundwork Caerphilly.

20 Reconciliation of net income to net cash flow from operating activities

	2023 £	2022 £
Net income for the reporting period (as per the SOFA)	94,541	196,664
Adjusted for:		
Dividends, interest and rents from investments	-	-
Depreciation & amortisation charges	30,269	26,116
Proceeds from the disposal of fixed assets	11,228	5,628
(Increase)/decrease in stocks	2,077	(2,372)
(Increase)/decrease in debtors	(26,823)	48,590
Increase/(decrease) in creditors	25,107	(78,511)
Net cash provided by operating activities	<u>136,399</u>	<u>196,115</u>

Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	852,054	731,713
	<u>852,054</u>	<u>731,713</u>

21 Company Limited by Guarantee

The company is limited by guarantee whereby the liability of each member/director is limited to £1.

Groundwork Wales
Comparative Consolidated Statement of financial activities for the year ended 31 March 2022
Including Income and Expenditure Account

	2022 Un-restricted funds	2022 Restricted funds	2022 Total
	£	£	£
Income From:			
Donations and legacies	4,988	59,293	64,281
Charitable activities	1,021,383	588,797	1,610,180
Other income	984	-	984
Investments	-	-	-
TOTAL	<u>1,027,355</u>	<u>648,090</u>	<u>1,675,445</u>
Expenditure on:			
Charitable activities	901,374	577,407	1,478,781
TOTAL	<u>901,374</u>	<u>577,407</u>	<u>1,478,781</u>
Net movement in funds	125,981	70,683	196,664
Reconciliation of funds			
Fund balances brought forward	595,165	174,179	769,344
Fund balances carried forward	<u>721,146</u>	<u>244,862</u>	<u>966,008</u>

Groundwork Wales
Comparative Charity Statement of financial activities for the year ended 31 March 2022
Including Income and Expenditure Account

	2022 Un-restricted funds	2022 Restricted funds	2022 Total
	£	£	£
Income From:			
Donations and legacies	4,988	2,362	7,350
Charitable activities	781,272	580,569	1,361,841
TOTAL	<u>786,260</u>	<u>582,931</u>	<u>1,369,191</u>
Expenditure on:			
Charitable activities	693,473	549,657	1,243,130
TOTAL	<u>693,473</u>	<u>549,657</u>	<u>1,243,130</u>
Net income/(expenditure)	92,787	33,274	126,061
Transfers between funds	-	-	-
Net movement in funds	<u>92,787</u>	<u>33,274</u>	<u>126,061</u>
Reconciliation of funds			
Fund balances brought forward	512,151	22,521	534,672
Fund balances carried forward	<u>604,938</u>	<u>55,795</u>	<u>660,733</u>

Advisors

Auditors

Azets Audit Services
Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

Bankers

Barclays Bank Plc
South Wales Corporate Banking Team
PO Box 674
121 Queen Street
Cardiff
CF10 2XU

The Board of Trustees

The trustees (who are the directors of the company in accordance with the Companies Act 2006) on the date of approval of this report, or who served as trustees at any time during the year reported on, are as follows.

Appointed trustees	First appointed	Last appointed	Retired/resigned
Mr B Matthew	11 March 2016		
Mrs N Rees	11 March 2016		
Mr J D Greenidge	9 February 2018		
Mr D Havard	28 February 2018		27 May 2022
Ms K Heenan-Davies	5 December 2018		11 November 2022
Mr P Fiander	10 December 2018		
Mr P Robinson	10 September 2020		5 May 2022
Mr S Williams	24 June 2022		
Mr J Parkin	8 November 2022		

Chairman

Mr J D Greenidge

Company Secretary

Ms K Stevenson

Chief Executive

Ms K Stevenson

GROUNDWORK WALES

England & Wales - Charity number 1096662

Accounts



Groundwork Wales

**Annual Report and
Financial Statements 2021/22**

Groundwork Wales

Charity registration no. 1096662
Company registration no. 3577896

Registered office
Ty Mynyddislwyn Offices, Bryn Road, Pontllanfraith, Blackwood, Gwent NP12 2BH

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About Groundwork Wales

Groundwork Wales is a charity, working within the federation of Groundwork Trusts, locally and nationally to transform lives in the UK's most disadvantaged communities.

We're passionate about creating a future where every neighbourhood is vibrant and green, every community is strong and able to shape its own destiny and no-one is held back by their background or circumstances.

We help people gain confidence and skills, get into training and work, protect and improve green spaces, lead more active lives and overcome significant challenges such as poverty, isolation, low skills and poor health.

Groundwork harnesses the passion, skills and experience of 35 employees and 8 volunteer trustees. In 2020/21 we delivered projects and programmes to a value of some £1.36m.

Groundwork Wales is registered as a company and charity. This report outlines the activity, priorities and financial position of Groundwork. More information on our work can be found in our Impact Report and on our website.

Chairman's statement

As Chair, I am proud of the role Groundwork Wales is playing across south and mid Wales to create stronger, healthier communities, responsible business, and greater prospects for local people.

We began 2021 during the UK's third national lockdown and it was a particularly tough start to a new year for everyone and we ended 2021/22 facing rapidly rising living costs, on the backdrop of the Russian invasion of Ukraine, and the ongoing climate crisis. When confronted with a significant disruptive threat, the reaction of Groundwork Wales staff and volunteers has proven what teamwork and effective management can do.

This has been another very busy year for Groundwork Wales staff, volunteers, and partners, resulting in the delivery of some amazing projects albeit facing some incredible challenges in the face of these pressures. Groundwork Wales has proven to be resilient, and our strategy enabled us to continue to make progress and to support our communities.

We deliver much of our impact through our partnership and enabling individuals and communities to act for themselves. We continue to educate communities and regenerate environments through our Green Teams, Green Communities and Green Education strategy and are delighted that Valleys Regional Park contracted Groundwork Wales to deliver the Valleys Regional Park (VRP) Guardians Scheme. The VRP Guardians have made a positive impact on the communities and the local environments they serve. Groundwork Wales also worked with the Welsh Government Green to develop eco-therapy services with local partners across the south Wales valleys. The healthy rivers programme continues to engage local people in the conservation of local rivers through volunteering opportunities, community river care days and accredited training. Routes2Life provides disadvantaged and often vulnerable adults and young people an education and skills development programme as a positive way forward. Our Green Dragon Standard supports companies in implementing an environmental Management System appropriate to the nature and scale of their activities. Our Greencare Team delivers landscape services that enable everyone and everything to profit - landscape, skills, employment, and Groundwork Wales's wider activities.

As Chair I expect to see that Groundwork Wales continue in the future to develop those meaningful interventions that support the wellbeing of our communities and individuals and use its innovative personalised approaches to address some of Wales's most urgent problems.

Jeff Greenidge
Chairman

Governance

Registration numbers

Charity Registration Number 1096662
Company Registration Number 03577896

Structure

Groundwork Wales' governing documents are its Memorandum and Articles of Association, which were last amended by written resolution in March 2016.

Board of trustees

The board of trustees sits in accordance with the Charities Act 2011, and they are also the directors of the company in accordance with the Companies Act 2006. The majority of our trustees are co-opted, with one nominated member from Caerphilly council. We seek a broad skills base on our board of trustees to enable us to benefit from specialist expertise and networks.

We take our governance responsibilities very seriously, recognising the need to ensure as much of our resource as possible is expended on delivering our charitable mission while ensuring our organisation is strong, well-managed and financially viable in the long term.

New trustees are provided with an induction to the organisation, which includes a specific focus on their role and responsibilities.

Trustees are responsible for ensuring sound organisational systems, processes and policies are maintained and embedded in the way Groundwork UK is managed. This includes policies governing our fundraising standards, our investments and our responsibilities to our staff, volunteers and beneficiaries. We pay particular attention to issues of health and safety, safeguarding, data protection and information security, each of which has a champion on our board, and maintains comprehensive business continuity arrangements. We undertake a regular skills audit of our board to ensure we have access to the expertise needed to run our organisation efficiently, effectively and safely.

Groundwork Wales' Management Team is led by the Chief Executive and includes senior staff members responsible for financial and business management, business development, communications and fundraising and programme management. This team is fully accountable to the Board and its Committees. It operates through delegated powers outlined in our financial regulations and provides regular reports on financial and operational performance and risk management.

Related party transactions

Each Groundwork Trust is an independent charity with similar aims. We operate within a group structure and Groundwork Caerphilly is a wholly owned subsidiary. Each Groundwork Trust is therefore responsible for its own management and administration, and for developing and delivering projects that meet its objectives and core purposes. Some of the appointed trustees of Groundwork Wales are also trustees of Groundwork Caerphilly. Groundwork Caerphilly is a related party to Groundwork Wales.

Groundwork Wales has considered the other disclosure requirements of the SORP and believes that there are no other related party transactions.

Our commitments

Everything Groundwork Wales does is underpinned by a set of values, which inform the way we work and behave.

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. We do not undertake widespread fundraising from the general public.

All of our fundraising is managed internally and we do not employ commercial participators or professional third-party fundraisers. The day to day management of all income generation activity is delegated to the senior management team, who are accountable to the trustees.

Groundwork Wales is not required to be bound by any regulatory scheme.

As a charity dedicated to supporting people who may be vulnerable we are committed to ensuring our operations are delivered safely and to the highest ethical standards. We have a Groundwork-wide commitment to effective safeguarding and aim to meet best practice standards in terms of management, governance and transparent reporting.

Objectives and public benefit

Groundwork Wales' charitable objectives are set down in its Memorandum of Association and date from the interpretation of charitable activities when they were drafted in 1998, as amended at annual general meetings and by written resolution. They commit Groundwork Wales to delivering and promoting regeneration and sustainable development as follows:

CHECK The objects of the Company are firstly to promote the conservation, protection and improvement of the physical and natural environment anywhere in the area; secondly to provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for those living in or working in or resorting "to Wales"; thirdly to advance public education in environmental matters and of the ways or better conserving, protecting and improving the same wheresoever; and fourthly to promote the efficiency of other charities having objects similar to the objects of the Company.

Groundwork Wales' trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the organisation's objectives and planning future activities. In particular, the trustees consider how planned activities will contribute to the charitable objectives set out above. Further details about the impact of Groundwork Wales' activities during 2020/21 can be found on the following pages.

Our work is designed to address the needs of all sections of the community and we provide equal access to our services regardless of race, gender, disability or sexual orientation.

For further details about our work visit www.groundwork.org.uk

Strategic report for the year ended 31 March 2022

The Board of Trustees presents its report for the year ended 31 March 2022. This includes statements about our organisation (page 9), its objectives and its governance (pages 5), our financial and operational review for the year (pages 9-10), our plans for the future (pages 8) and details of our trustees, senior staff and advisers (pages 48-49).

1. Performance overview

2021/22 was a year of recovery, following the global Coronavirus pandemic.

We were able to make some financial surplus in the year, as well as providing for future needs in terms of building maintenance and refurbishment. The designated fund was increased to £82,800 to have sufficient money to undertake remedial repairs to the roof and windows of the building, with the boiler replacement now complete, and building maintenance work scheduled.

The vast majority of activities set out in our business plan for the year have been delivered

Tight control of our costs and good performance on existing programmes has enabled us to report a financial surplus, allowing us to continue adding gradually to reserves to meet our target of holding a year's worth of operating costs. Our social enterprise elements performed well, with trading resulting in positive financial performance, while meeting our organisational objectives.

Activity highlights

Groundwork continues to deliver a rich variety of local projects, programmes and services that are transforming lives in local communities and helping more people get involved in taking action to improve their personal circumstances and the quality of life in their area.

Last year we sourced £1,347k of funding or enterprising income to support our collective mission.

Groundwork Wales' activities have added value to communities as follows: -

Supporting communities through grants

Helping to equip communities with the skills, capacity and networks needed to bring about change in their local area has been core to Groundwork's mission since its inception. Groundwork Wales has developed its role as a grant manager on behalf of businesses and government, providing robust systems informed by feedback from community groups and supported 'on the ground' by a network of Groundwork Trust enablers. Groundwork Wales has contributed as follows.

- The **Tesco Bags of Help** programme entered a new phase during the year with the small grant scheme supplemented by a 'flagship' programme to mark the celebration of Tesco's centenary. The programme continues to meet all of its KPIs, and receive positive feedback from Tesco colleagues and community groups. In 2021/22, Bags of Help has provided more than £89 million across the UK to over 18,000 local community in the UK.

Programmes

We run a broad range of programmes, all of which benefit communities and individuals in line with our objectives, including:

- WeCare
- Healthy Rivers
- Routes2Life
- The Green Dragon Environmental Standard
- Tesco Bags of Help (through Tesco Enablers)

- Greencare
- Valleys Regional Park Guardians
- Furniture Revival (Groundwork Caerphilly)
- Environment Centre

The Groundwork Federation

We continue to take an active part as a member of the Federation of Groundwork Trusts, collaborating and learning from others where appropriate.

2. Our plans for the future

In order to ensure Groundwork Wales' activities are fully aligned with the needs and expectations of our wider federation, our forward plans are clearly and explicitly driven by Groundwork's collectively agreed strategy. This can be summarised as follows.

'Groundwork 2023', details how we will support communities to combat the climate and nature emergency, improve their health and wellbeing and gain access to learning and work opportunities.

Groundwork 2023 sets out the charity's ambition to become a significant, radical, national force for driving change in attitudes, behaviours, places and prospects in the local communities that need it most. The strategy commits Groundwork to achieving the following by 2023:

- Mobilise 75,000 days of voluntary action to combat the climate and nature emergency
- Connect 50,000 people with their community and nature to improve wellbeing
- Support 20,000 people into accessing learning and work

3 Financial performance

Groundwork Wales' net incoming resources for 2021/22 totalled £1.347 million (compared to £1.156 million in 2020/21), with an unrestricted surplus of £126,061.

Our long-term financial strategy has clear and linked strands as follows:

- to manage our overhead costs to ensure discretionary spending is focused on supporting front line delivery and generating more income while maintaining the capacity we need to operate effectively and safely
- to achieve an operating surplus so that we can hold a level of reserves sufficient to sustain our charitable operations and strengthen our balance sheet to support commercial services and manage the risk of outcome-based funding arrangements

3.1 Reserves

In line with this financial strategy our trustees have agreed that we should aim to hold 3 months operating costs (circa £335K) in liquid reserves. We believe this is appropriate for the following reasons:

- to absorb short term setbacks such as loss or delays in funding
- to provide the working capital required to finance retrospective programme funding which can result in considerable timing differences between expenditure and receipt of funds
- to cover the cost of investing in staff training and development to develop new and improved services for Groundwork
- to cover the cost of developing new services, such as improved communications, research and quality and business information systems

- to set aside funds for capital assets such as ICT equipment
- to provide funding to cover any unforeseen downturn in activity, allowing alternative activity to be generated and/or a planned down-sizing of our staff team.

The above needs for reserves have to be balanced against the following factors:

- the need to be seen as a responsible charity by the Charity Commission, our partners and funders, our member Trusts within Groundwork and the communities we serve
- the need to avoid the creation or retention of unnecessary surpluses for which there is no future planned requirement or that bear no relation to our charitable aims.

Our level of free liquid reserves at the end of 2021/22 stands at £559,855. Our general fund reserve does not include designated funds, which have been set aside for specific purposes, or restricted funds, which represent advance payments by funders held by Groundwork Wales pending completion of project work by Groundwork Trusts and other delivery partners.

Unrestricted reserves total £604K (2020/21: £512K).

Restricted funds can only be used in accordance with agreements reached with funders relating to programmes of work and therefore do not form part of the general reserves that are under the control of the trustees. These funds will all be distributed during 2022/23. The future movements on any such restricted funds reflect the long-term nature of Groundwork Wales programme activity and in no way reflects on the organisation's financial efficiency or performance.

The charities subsidiary Groundwork Caerphilly reported an overall net surplus of £70,604 (2020/21 £42,375) as detailed in note 10.

3.2 Investments

The majority of the funds obtained by Groundwork Wales are provided against specified projects for particular needs and are therefore of a restricted nature.

We do not currently invest monies.

3.3 Grant making policy

Groundwork Wales delivers its mission primarily by distributing grants to other delivery partners and to community groups. These funds are considered to be performance related grants and are recognised in these financial statements to the extent that the projects which they are funding have been completed. All grant programmes have specific guidelines, criteria and priorities with a formal process of approval.

3.4 Principal funding sources

Our major sources of funding for the group during the last year are set out below.

- Private Sector Grants and contracts - £182K (£210K in 2020/21)
This includes funds provided by businesses, trusts and foundations, most notably £46,500 provided by Tesco to support community groups through the Bags of Help programme. Other major funders during 2020/21 included Bridgend County Borough Council
- Public sector grants and contracts - £428K (£178K in 2020/21)
This includes funding secured to deliver programmes and services on behalf of government departments, public bodies and lottery distributors.

3.5 Expenditure on charitable objectives

In line with the objectives set out in our Groundwork 2020 strategy and the Groundwork Wales business plan, our expenditure in the year was directed towards the provision of resources to support frontline delivery and ensure our organisation delivers effectively and safely.

3.6 Key Performance Indicators

Data against a number of key performance indicators is presented to our trustees on a quarterly basis to measure our success in profile raising, income generation, programme management and continual improvement. These KPIs are tracked on a rolling basis and compared to target levels of performance outlined in our annual business plan.

Monthly management accounts track progress against our financial targets and reforecasts to the year-end are made quarterly. A key performance indicator is the amount of income secured as a percentage of forecast salaries and operating costs. This informs year-end forecasts based on prior years' experience.

Performance during 2021/22 has been positive in the context of recovery from the pandemic.

3.7 Sustainable Development Report

Groundwork's charitable mission is to promote sustainable development – helping communities and individuals develop the understanding and capability to take action and make choices that deliver social equity and economic prosperity while recognising the need to live within the earth's finite natural resources. In order to have credibility as an organisation we need to demonstrate that the principles of sustainable development underpin the way we go about our work. Our sustainable development policy commits us to reporting on how these principles are integral to the way we plan and manage our operations, support our employees and utilise our resources.

- **Areas of progress**

As a team, we continue to focus on ensuring that our staff adopt more sustainable practices in the workplace, both through ongoing reinforcement of messages around electricity use and waste but also through dedicated campaigns to promote sustainable travel. We prioritise ethical suppliers in our purchasing arrangements for utilities, catering, cleaning and promotional materials. As a small team of people, we recognise the biggest impact we can make lies in the programmes we manage and the campaigns we run. Our focus is on securing funds that can help people and groups make a positive impact on the environment, but we know we can do more to provide support to all those benefiting from our programmes to act in a more environmentally responsible way. As the whole of Groundwork refreshes its strategy for the next five years we will press for a stronger focus on developing programmes and services that help communities tackle waste and climate change.

3.8 Principal risks and uncertainties

Our board of trustees understands its responsibilities under the Charity Commission's Statement of Recommended Practice (SORP) for ensuring that the major risks to which the charity is exposed are identified and reviewed, and that there are systems in place to mitigate them.

Trustees regularly review the development and operation of our risk management process and receive quarterly updates on actions put in place to mitigate the most significant ongoing risks. Risks are identified by our staff teams and reviewed on a regular basis by our management team. All of Groundwork Wales' major programmes are managed on a risk basis with individual risk registers used both as management and reporting tools. We have a comprehensive business recovery plan in place, which is designed to ensure continuity of Groundwork Wales operations in the event of a crisis or disaster situation and which has been tested through scenarios in each team.

The major areas of potential risk, for which we have active mitigation strategies in place, are as follows:

- Slow recovery in financial climate, inability to secure income and threat to bottom line and business viability
- Increased competition / Diminishing Grant funds
- Lower Business Viability/Pressure on reserves - Significant reduction in core funding WG, Significant reduction in funding Local Authorities
- Covid-19 Recovery

Groundwork Wales recognises that risk management is an essential part of good business practice and an effective mechanism of good governance. The Board is committed to ensuring that risk management processes are embedded throughout the organisation, and that these processes are used to help identify at an early stage issues that affect performance or the achievement of our purpose.

However, trustees also recognise that our process can only seek to manage rather than eliminate risk, and that it should therefore be only one of the tools that the Board uses to provide effective control and management of the administration of the charity.

3.9 Financial instruments

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

4 Statement of trustees' responsibilities

The trustees are responsible for preparing the Annual Report and 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 charity's 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.

Events after the year end

There have been no events to report.

Disclosure of information by the trustees to the auditor

Each of the trustees has confirmed that, so far as they are aware, there is no relevant audit information of which Groundwork Wales auditor is unaware, and that they have taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that Groundwork Wales auditor is aware of that information.

Signed on behalf of the Board of trustees



Jeff Greenidge
Chairman

Date: 22-11-22

Independent Auditor's Report to members of Groundwork Wales

Opinion

We have audited the financial statements of Groundwork Wales (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the consolidated Statement of Financial Activities, the consolidated and parent Balance Sheet, the consolidated Statement of Cash Flows and notes to the financial statements, including 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2022, and of the group's incoming resources and application of resources, including its income and expenditure, 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

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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating 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's or 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 other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and directors report) 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 including the trustees report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report included within the trustees 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's 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 set out on page 11 the trustees (who are also the directors of the parent 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 determine 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 groups and 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 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 auditor under [the Companies Act 2006 and report in accordance with this Act.

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.

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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report

Extent to which the audit was considered 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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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.



Sarah Case FCA DChA
(Senior Statutory Auditor)
For and on behalf of Azets Audit Services
Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

Date: 15-12-2022

Groundwork Wales
Consolidated Statement of financial activities for the year ended 31 March 2022
Including Income and Expenditure Account

	Note	2022 Un- restricted funds £	2022 Restricted funds £	2022 Total £	2021 Total £
Income From:					
Donations and legacies	2	4,988	59,293	64,281	15,201
Charitable activities	3	1,021,383	588,797	1,610,180	1,345,656
Other income	2	32,984	-	32,984	4,831
Investments	2	-	-	-	5
TOTAL		<u>1,059,355</u>	<u>648,090</u>	<u>1,707,445</u>	<u>1,365,693</u>
Expenditure on:					
Charitable activities	4	933,374	577,407	1,510,781	1,262,891
TOTAL		<u>933,374</u>	<u>577,407</u>	<u>1,510,781</u>	<u>1,262,891</u>
Net movement in funds		125,981	70,683	196,664	102,802
Reconciliation of funds					
Fund balances brought forward	16	595,165	174,179	769,344	666,542
Fund balances carried forward	15,16	<u>721,146</u>	<u>244,862</u>	<u>966,008</u>	<u>769,344</u>

Incoming resources and resources expended derive from continuing operations.

The company has no other recognised gains or losses other than those passing through the statement of financial activities.

The statement of financial activities also complies with the requirement for an income and expenditure account under the Companies act 2006.

The notes pages 21 to 49 form part of these financial statements.

Groundwork Wales
Charity Statement of financial activities for the year ended 31 March 2022
Including Income and Expenditure Account

	Note	2022 Un- restricted funds £	2022 Restricted funds £	2022 Total £	2021 Total £
Income From:					
Donations and legacies	2	4,988	2,362	7,350	12,934
Charitable activities	3	759,190	580,569	1,339,759	1,143,079
TOTAL		<u>764,178</u>	<u>582,931</u>	<u>1,347,109</u>	<u>1,156,013</u>
Expenditure on:					
Charitable activities	4	671,391	549,657	1,221,048	1,095,587
TOTAL		<u>671,391</u>	<u>549,657</u>	<u>1,221,048</u>	<u>1,095,587</u>
Net income/(expenditure)		92,787	33,274	126,061	60,426
Transfers between funds		-	-	-	-
Net movement in funds	7	<u>92,787</u>	<u>33,274</u>	<u>126,061</u>	<u>60,426</u>
Reconciliation of funds					
Fund balances brought forward	16	512,151	22,521	534,672	474,246
Fund balances carried forward	15,16	<u>604,938</u>	<u>55,795</u>	<u>660,733</u>	<u>534,672</u>

Incoming resources and resources expended derive from continuing operations.

The company has no other recognised gains or losses other than those passing through the statement of financial activities.

The statement of financial activities also complies with the requirement for an income and expenditure account under the Companies Act 2006.

The notes pages 21 to 49 form part of these financial statements.

Groundwork Wales

Consolidated Balance sheet at 31 March 2022

<i>Company number 03577896</i>	Note	2022	2022	2021	2021
		£	£	£	£
Fixed assets					
Intangible assets	8		2,678		4,076
Tangible assets	9		233,472		167,059
			<u>236,150</u>		<u>171,135</u>
Current assets					
Stock		11,109		8,737	
Debtors	11	225,484		274,074	
Cash at bank		731,713		632,357	
		<u>968,306</u>		<u>915,168</u>	
Creditors: amounts falling due within one year	12	(238,448)		(316,959)	
Net current assets		<u>729,858</u>		<u>598,209</u>	
Net assets		<u>966,008</u>		<u>769,344</u>	
Reserves					
Unrestricted funds:					
General Funds	16	579,882		509,744	
Designated funds	16	141,264		85,421	
Restricted funds	16	244,862		174,179	
		<u>966,008</u>		<u>769,344</u>	

These finance statements were approved by the Board of trustees and authorised for issue on 22-11-2022 and were signed on its behalf by:



Mr J D Greenidge
Chairman

The notes pages 21 to 49 form part of these financial statements.

Groundwork Wales

Charity Balance sheet at 31 March 2022

<i>Company number 03577896</i>	Note	2022	2022	2021	2021
		£	£	£	£
Fixed assets					
Tangible assets	9		47,083		11,310
Current assets					
Debtors	11	376,078		436,336	
Cash at bank		438,844		377,754	
		<u>814,922</u>		<u>814,090</u>	
Creditors: amounts falling due within one year	12	(201,272)		(290,728)	
Net current assets		<u> </u>	613,650	<u> </u>	523,362
Net assets			<u>660,733</u>		<u>534,672</u>
Reserves					
Unrestricted funds:					
General Funds	16		546,474		491,730
Designated funds	16		58,464		20,421
Restricted funds	16		55,795		22,521
			<u>660,733</u>		<u>534,672</u>

These finance statements were approved by the Board of trustees and authorised for issue on 22-11-2022 and were signed on its behalf by:


 Mr J D Greenidge
 Chairman

The notes pages 21 to 49 form part of these financial statements.

Groundwork Wales

Cash flow statement for the year ended 31 March 2022

	Note	2021/22 £	2020/21 £
Cash flow from operating activities			
Net cash provided by operating activities	20	196,115	179,434
Cash flows from investing activities			
Dividends, interest and rents from investments		-	5
Purchase of property, plant and equipment		(101,426)	(4,798)
Proceeds from the disposal of fixed assets		4,667	-
Net cash provided by investment activities		(96,759)	(4,793)
Change in cash and cash equivalents in the reporting period		99,356	174,641
Cash and cash equivalents at the beginning of the reporting period		632,357	457,716
Cash and cash equivalents at the end of the reporting period		731,713	632,357

The notes pages 21 to 49 form part of these financial statements.

1 Charity Information

Groundwork Wales is a private company limited by guarantee incorporated in England and Wales. The registered office is Ty Mynyddislwyn, Bryn Road, Pontllanfraith, Blackwood, Gwent, NP12 2PH.

Accounting Policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the charity's financial statements.

Basis of Preparation

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (Effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention.

No separate cash flow statement has been presented for the charity itself as the charity has taken advantage of the exemptions in paragraph 1.12 of FRS 102.

Rounding

Figures contained in the financial statements have been rounded to the nearest pound.

Presentation of the accounts on a going concern basis

The charity reported a net unrestricted inflow of £92,787 for the year. The group reported a net unrestricted inflow of £125,981. This charity has sufficient free reserves and is monitoring results on a frequent basis. The trustees are of the view that on this basis the charity is a going concern and there are no material uncertainties about the charity's ability to continue as a going concern.

Basis of consolidation

The financial statements represent the consolidated financial position of the group. This comprises Groundwork Caerphilly and GC Enterprises (Wales) Limited. Groundwork Caerphilly is a subsidiary of Groundwork Wales and Groundwork Caerphilly own 100% of the share capital of GC Enterprises (Wales) Limited, which is now dormant.

The financial statements are consolidated on a line-by-line basis and cover the consolidated financial position and transactions of all companies controlled by the charity from the date of acquisition. All intra group transactions are eliminated on consolidation.

Fund accounting

Unrestricted funds are available for use at the discretion of the directors in furtherance of the Trust's general objectives.

Restricted funds are funds subject to specific restrictive conditions imposed by the terms of the grant or funding body.

Designated funds are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income and grants are included in incoming resources when receivable, except as follows: -

- When donors specify that the grants must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.
- When donors specify that grants are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Allocation of expenditure

Expenditure incurred by the charity in the year has been split between restricted and unrestricted funds. Costs have been analysed between direct charitable expenditure, fundraising and publicity and the administration and management of the charity. Expenditure relating directly to a cost category has been charged to that account. Expenditure, which includes more than one cost category, has been apportioned on a reasonable, justifiable and consistent basis to the categories involved. Committed expenditure that has yet to be invoiced is, in line with best accounting practice, not recognised in these accounts. It is intended that such expenditure will be funded by future income flows.

Charitable activities

This includes all expenditure directly related to the aims of the charity as follows:

- To promote the conservation, protection and improvement of the physical and natural environment.
- To provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for those living, working and visiting in the area.
- To advance public education in environmental matters and in the ways of better conserving, protecting and improving the environment.

Governance costs

These costs include the costs of governance arrangements, which relate to the general running of Groundwork Wales as opposed to the direct management functions inherent in generating funds, service delivery and programme of project work. These include such items as external audit, legal advice for trustees and costs associated with constitutional and statutory requirements.

Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure has been allocated to management and administration of the trust, where it relates to the management of the trust's assets, organisational administration and compliance with constitutional and statutory requirements.

Resources expended are recognised in the period in which they are incurred.

Intangible assets

Intangible assets are capitalised at costs and amortised over its expected useful life. The amortisation rate used is 20% on cost.

Tangible fixed assets

Fixed assets are capitalised at cost. Depreciation is calculated so that the cost of tangible assets or valuation less any residual value is written off over their estimated useful lives on the following basis: -

Computers	33.33% on cost
Office Equipment	20% on cost
Plant and Machinery	20% on cost
Buildings	2.5% on cost
Land	0% on cost
Motor Vehicles	20% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based on the estimated selling price after taking into account all further costs and excess stocks that are slow moving.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Capital grants received

Grants that relate to capital expenditure on specific projects are treated as restricted funds that are charged to the income and expenditure account at acquisition. This treatment is due to the nature of the funding as the grants are received to provide equipment to specifically run the projects and services.

Operating lease costs

The rentals under operating leases, where substantially all the benefits and risks of ownership remain with the lessor, are charged against profit as incurred.

Liabilities policy

Liabilities are recognised in the Statement of Financial Activities as they become payable.

Pensions

The charity operates a defined contribution scheme for the benefit of its employees. The assets of the scheme are held separately from those of the charity. Contributions payable are charged to the profit and loss account in the year they are payable and are charged against unrestricted funds.

Taxation

As a registered charity, Groundwork Wales is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

Critical accounting estimates and judgements

In the application of charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2 Incoming resources

Incoming resources from generated funds

	2022 Unrestricted £	2022 Restricted £	2022 Total £	2021 Total £
Voluntary income				
Group				
Donations	4,988	59,293	64,281	15,201
	<u>4,988</u>	<u>59,293</u>	<u>64,281</u>	<u>15,201</u>
Charity				
Donations	4,988	2,362	7,350	12,934
	<u>4,988</u>	<u>2,362</u>	<u>7,350</u>	<u>12,934</u>
Other trading activities				
Group				
Trading company income	32,984	-	32,984	4,831
	<u>32,984</u>	<u>-</u>	<u>32,984</u>	<u>4,831</u>
Investments				
Group				
Bank interest	-	-	-	5
	<u>-</u>	<u>-</u>	<u>-</u>	<u>5</u>

3 Incoming resources

Incoming resources from charitable activities provided by:

	2022 Unrestricted	2022 Restricted	2022 Total	2021 Total £
<u>Group</u>	£	£	£	
Welsh Assembly	-	412,764	412,764	648,947
Public Agencies and National Charities	332,777	95,478	428,255	177,549
Local Authority	325,164	18,436	343,600	209,541
Private Sector	363,442	62,119	425,561	209,987
Other income	-	-	-	99,632
	<u>1,021,383</u>	<u>588,797</u>	<u>1,610,180</u>	<u>1,345,656</u>

	2022 Unrestricted	2022 Restricted	2022 Total	2021 Total £
<u>Charity</u>	£	£	£	£
Welsh Assembly	-	404,536	404,536	541,318
Public Agencies and National Charities	332,777	95,478	428,255	177,549
Local Authority	306,728	18,436	325,164	209,541
Private Sector	119,685	62,119	181,804	209,987
Other income	-	-	-	4,686
	<u>759,190</u>	<u>580,569</u>	<u>1,339,759</u>	<u>1,143,079</u>

4 Charitable activities

Expenditure on projects related to the following activities:

<u>Group</u>	2022 Total £	2021 Total £
Direct costs		
Staff Costs	705,241	676,288
Volunteer Costs	5,587	304
Material & direct purchases	121,998	61,664
Subcontractors & Consultancy	213,463	191,274
Training and Recruitment	52,051	14,016
Project Travel and Transport	42,083	22,104
Project Publicity	20,603	4,396
Trainee allowances and expenses	45,916	4,340
Professional Fees	67,302	66,078
Administration & Sundry	2,504	6,570
Communications & IT	6,076	12,172
Motor, travel & expenses	200	78
Premises expenses	3,518	350
	<u>1,286,542</u>	<u>1,059,634</u>
Support costs		
Staff Costs	116,384	116,511
Recruitment & Training	225	-
Premises Expenses	19,285	26,706
Depreciation	26,030	22,182
Legal and professional	-	2,820
Communications & IT	15,754	4,099
Administration & Sundry	4,047	677
Governance	42,514	30,262
	<u>224,239</u>	<u>203,257</u>
Total	<u>1,510,781</u>	<u>1,262,891</u>
Analysed between:		
Unrestricted	933,374	466,682
Restricted	577,407	796,209
	<u>1,510,781</u>	<u>1,262,891</u>

4 Charitable activities (continued)

Expenditure on projects related to the following activities:

	2022 Total £	2021 Total £
<u>Charity</u>		
Direct costs		
Staff Costs	564,140	536,561
Volunteer Costs	4,873	123
Material & direct purchases	72,269	45,278
Subcontractors & Consultancy	213,463	191,208
Training and Recruitment	52,051	14,016
Project Travel and Transport	14,070	8,222
Project Publicity	19,900	4,396
Trainee allowances and expenses	45,916	4,340
Professional fees	67,302	66,078
Communications & IT	5,380	11,797
Administration & Sundry	1,219	38,941
Premises Expenses	(4,268)	12,261
Motor Travel and Expenses	-	36
	<u>1,056,315</u>	<u>933,257</u>
Support costs		
Staff Costs	87,955	98,412
Recruitment & Training	225	-
Premises Expenses	13,527	15,127
Motor Travel and Expenses	-	-
Legal and professional	-	1,496
Communications & IT	15,098	4,471
Administration & Sundry	3,696	555
Depreciation	8,722	9,771
Governance	35,510	32,498
	<u>164,733</u>	<u>162,330</u>
Total	<u>1,221,048</u>	<u>1,095,587</u>
Analysed between:		
Unrestricted	671,391	416,706
Restricted	549,657	678,881
	<u>1,221,048</u>	<u>1,095,587</u>

The charity paid grants to the following institutions during the period:

	2022 £	2021 £
Groundwork North Wales	125,000	184,526
	<u>125,000</u>	<u>184,526</u>

5 Employees

The average monthly number of employees during the year was as follows.

<u>Group</u>	2022	2021
Direct charitable	25	30
Management and admin	6	7
	<u>31</u>	<u>37</u>

Charity

Direct charitable	34	21
Management and admin	7	6
	<u>41</u>	<u>27</u>

The aggregated cost of these persons was as follows.

<u>Group</u>	2022 £	2021 £
Wages and salaries	725,694	690,844
Social security costs	56,482	53,918
Pension costs	39,449	36,222
	<u>821,625</u>	<u>780,984</u>

Charity

Wages and salaries	567,033	542,343
Social security costs	50,383	48,695
Pension costs	34,679	32,121
	<u>652,095</u>	<u>623,159</u>

The emoluments of employees (excluding pension contributions) over £60,000 per annum are disclosed in £10,000 bands as follows.

	2022 No.	2021 No.
£60,000 - £70,000	-	-
	-	-

Key management personnel

The key senior management personnel of the charity are as detailed in the Trustees report with a total cost in 2022 of £183,271 (2021: £178,599). Total contributions under defined contribution schemes on behalf of these higher paid employees were £11,751 (2021: £10,605).

6 Transactions with trustees

No trustees received any remuneration for services performed on behalf of the charity.

No trustee expenses were paid during the current or previous year.

7 Net incoming resources

<u>Group</u>	2022 £	2021 £
Net incoming resources for the year is stated after charging:		
Auditor's remuneration:	10,285	11,700
Depreciation of owned fixed assets	24,693	20,784
Operating lease rentals	1,656	1,656
Amortisation	1,398	1,398
	-----	-----
 <u>Charity</u>		
Net incoming resources for the year is stated after charging:		
Auditor's remuneration:	6,325	7,200
Operating lease rentals	1,656	1,656
Depreciation of owned fixed assets	8,722	9,771
	-----	-----

8 Intangible fixed assets

<u>Group</u>	IT equipment £
<i>Cost</i>	
At 1 April 2021	6,988
At 31 March 2022	<u>6,988</u>
<i>Amortisation</i>	
At 1 April 2021	2,912
Amortisation charge	1,398
At 31 March 2022	<u>4,310</u>
<i>Net book value</i>	
At 31 March 2022	<u>2,678</u>
<i>Net book value</i>	
At 31 March 2021	<u>4,076</u>

9 Tangible assets

<u>Group</u>	Plant and machinery	Motor vehicles	Buildings	Total
<i>Cost or Valuation</i>				
At 1 April 2021	51,101	26,023	150,000	227,124
Additions	-	101,426	-	101,426
Disposals	(38,885)	(12,873)	-	(51,758)
At 31 March 2022	12,216	114,576	150,000	276,792
<i>Depreciation</i>				
At 1 April 2021	30,100	11,215	18,750	60,065
Charged for the year	11,144	11,699	1,875	24,718
Disposals	(33,631)	(7,832)	-	(41,463)
At 31 March 2022	7,613	15,082	20,625	43,320
<i>Net book value</i>				
At 31 March 2022	4,603	99,494	129,375	233,472
At 31 March 2021	21,001	14,808	131,250	167,059

<u>Charity</u>	Plant and machinery	Motor Vehicles	Total
<i>Cost or Valuation</i>			
At 1 April 2021	32,365	-	32,365
Additions	-	44,495	44,495
Disposals	(20,779)	-	(20,779)
At 31 March 2022	11,586	44,495	56,081
<i>Depreciation</i>			
At 1 April 2021	21,055	-	21,055
Charged for the year	7,311	1,411	8,722
Disposals	(20,779)	-	(20,779)
At 31 March 2022	7,587	1,411	8,998
<i>Net book value</i>			
At 31 March 2022	3,999	43,084	47,083
<i>Net book value</i>			
At 31 March 2021	11,310	-	11,310

10 Charitable Subsidiary

Groundwork Caerphilly

On 1 February 2015 the charity became a subsidiary of Groundwork Wales, Groundwork Caerphilly is a charitable company, limited by guarantee and incorporated on 14 May 1990 in England and Wales. Company number 02501792, charity number 1006811 - registered 13 December 1991. The objects of the charity are:

- To promote firstly the conservation protection and improvement of the physical and natural environment.
- To provide facilities in the interests of social welfare for recreation and leisure.
- To advance public education in environmental matters and of better ways of better conserving protecting and improving the same.

A summary of the results are shown below:

	Year ended 31 March 2022 £	Year ended 31 March 2021 £
Summary Income and Expenditure Account:		
Total income	360,337	287,267
Total expenditure	<u>(289,733)</u>	<u>(244,892)</u>
Surplus/(Deficit) for the financial year	<u>70,604</u>	<u>42,375</u>
Summary Balance Sheet:		
Total assets	507,228	478,251
Total liabilities	<u>(201,853)</u>	<u>(243,481)</u>
Net assets	<u>305,375</u>	<u>234,770</u>
Restricted funds carried forward	116,308	151,457
Unrestricted funds carried forward	<u>189,067</u>	<u>83,313</u>
	<u>305,375</u>	<u>234,770</u>

11 Debtors

	2022	2021
<u>Group</u>	£	£
Trade debtors	116,414	237,052
Prepayments and Accrued Income	109,070	34,175
Other debtors	-	2,847
	<u>225,484</u>	<u>274,074</u>
<u>Charity</u>		
Trade debtors	106,713	193,404
Amounts due from group entities	164,697	217,269
Prepayments and Accrued Income	104,668	25,663
	<u>376,078</u>	<u>436,336</u>

12 Creditors

	2022	2021
<u>Group</u>	£	£
Trade Creditors	38,607	27,136
Accruals & Deferred Income	188,102	268,905
VAT	11,689	20,001
Other creditors	50	917
	<u>238,448</u>	<u>316,959</u>
<u>Charity</u>		
Trade Creditors	33,559	24,741
Accruals & Deferred Income	157,558	246,081
VAT	10,105	18,989
Other creditors	50	917
	<u>201,272</u>	<u>290,728</u>

13 Deferred income

Contained in the accruals and deferred balance above is deferred income in relation to performance related grants and contracts which relates to the 2022/23 financial year.

Group

	Balance at 1 April 2021 £	Transferred from deferred income £	Balance at 31 March 2022 £
Programmes	125,876	(98,680)	27,196

Deferred income related to income received for programmes with delivery in the next year.

Charity

	Balance at 1 April 2021 £	Transferred from deferred income £	Balance at 31 March 2022 £
Programmes	125,876	(98,680)	27,196

Deferred income related to income received for programmes with delivery in the next year.

14 Operating leases

<u>Group</u>	Land & Buildings		Other	
	2022 £	2021 £	2022 £	2021 £
Due in 1 year	-	-	694	1,656
Due in 2-5 years	-	-	-	694
	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	694	2,350
	<hr/>	<hr/>	<hr/>	<hr/>
 <u>Charity</u>			 Other	
			2022	2021
			£	£
Due in 1 year			694	1,656
Due in 2-5 years			-	694
			<hr/>	<hr/>
			694	2,350
			<hr/>	<hr/>

15 Analysis of net assets at 31 March 2022

<u>Group</u>	Unrestricted funds £	Restricted funds £	Total £
Intangible & Tangible fixed assets	47,083	189,067	236,150
Net current assets	674,063	55,795	729,858
	<u>721,146</u>	<u>244,862</u>	<u>966,008</u>
 <u>Charity</u>			
Tangible fixed assets	47,083	-	47,083
Net current assets	557,855	55,795	613,650
	<u>604,938</u>	<u>55,795</u>	<u>660,733</u>
 <i>Previous year</i>			
<u>Group</u>	Unrestricted funds £	Restricted funds £	Total £
Intangible & Tangible fixed assets	20,254	150,881	171,135
Net current assets	574,911	23,298	598,209
	<u>595,165</u>	<u>174,179</u>	<u>769,344</u>
 <u>Charity</u>			
Tangible fixed assets	11,310	-	11,310
Net current assets	500,841	22,521	523,362
	<u>512,151</u>	<u>22,521</u>	<u>534,672</u>

16 Statement of funds

Unrestricted funds

<u>Group</u>	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
General funds	509,744	1,015,938	(913,800)	(32,000)	579,882
Designated funds	85,421	43,417	(19,574)	32,000	141,264
At 31 March 2022	595,165	1,059,355	(933,374)	-	721,146

Charity

General funds	491,730	720,761	(666,017)	-	546,474
Designated funds	20,421	43,417	(5,374)	-	58,464
At 31 March 2022	512,151	764,178	(671,391)	-	604,938

Previous year

<u>Group</u>	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
General funds	419,831	538,210	(466,682)	18,367	509,744
Designated funds	30,000	-	-	55,421	85,421
At 31 March 2021	449,831	538,210	(466,682)	73,788	595,645

Charity

General funds	416,910	438,159	(416,706)	53,367	491,730
Designated funds	-	-	-	20,421	20,421
At 31 March 2021	416,910	438,159	(416,706)	73,788	512,151

16 Statement of funds (continued)

The income funds of the company included the following designated funds which have been set aside out of unrestricted funds by the Trustees in respect of providing for future building maintenance.

Designated funds

<u>Group</u>	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
Building maintenance costs Cardiff City Council	66,000	-	(14,296)	32,000	83,704
Donation	8,000	9,324	(225)	-	17,099
Food Sense Wales	11,421	-	(5,053)	-	6,368
Office Deco	-	1,100	-	-	1,100
Marketing	-	2,000	-	-	2,000
2xVan Dep	-	23,993	-	-	23,993
BD Consultancy	-	2,000	-	-	2,000
Translation	-	5,000	-	-	5,000
At 31 March 2022	85,421	43,417	(19,574)	32,000	141,264

The board have agreed to designate £83,704 in respect of providing for future building maintenance costs.

<u>Charity</u>	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
Building maintenance costs Cardiff City Council	1,000	-	(96)	-	904
Donation	8,000	9,324	(225)	-	17,099
Food Sense Wales	11,421	-	(5,053)	-	6,368
Office Deco	-	1,100	-	-	1,100
Marketing	-	2,000	-	-	2,000
2xVan Dep	-	23,993	-	-	23,993
BD Consultancy	-	2,000	-	-	2,000
Translation	-	5,000	-	-	5,000
At 31 March 2022	20,421	43,417	(5,374)	-	58,464

The board have agreed to designate £1,000 in respect of providing for future building maintenance costs.

16 Statement of funds (continued)

Designated Funds (continued)

Previous year

Group	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Building maintenance costs Cardiff City Council	30,000	-	-	36,000	66,000
Donation	-	-	-	8,000	8,000
Food Sense Wales	-	-	-	11,421	11,421
At 31 March 2021	30,000	-	-	55,421	85,421

Charity	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Building maintenance costs Cardiff City Council	-	-	-	1,000	1,000
Donation	-	-	-	8,000	8,000
Food Sense Wales	-	-	-	11,421	11,421
At 31 March 2021	-	-	-	20,421	20,421

16 Statement of funds (continued)

Restricted funds

<u>Group</u>	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
ACT (Traineeships)	594	-	-	-	594
Business Resilience Fund	-	568	(238)	-	330
Circular Economy fund	-	56,931	(6,642)	-	50,289
D'Oyly Carte	-	2,362	-	(2,362)	-
Garfield Weston (Capital)	18,860	-	(9,828)	-	9,032
Get Together (FSW)	11,421	15,053	(15,257)	-	11,217
Grantscape	776	-	(776)	-	-
Groundwork Wellbeing (WG)	-	33,886	(32,523)	-	1,363
Job Retention Scheme	-	21,301	(21,301)	-	-
NatWest Enterprise Officer	228	-	-	-	228
Nurture, Equip, Thrive	2,667	-	-	-	2,667
Postcode Lottery (R2L)	-	15,449	(13,550)	-	1,899
Regeneration [WG]	-	125,000	(125,000)	-	-
Routes to life	744	18,436	(18,674)	-	506
Tesco Enablers	-	46,500	(16,377)	-	30,123
Tesco Play	6,652	-	-	-	6,652
Ty Mynyddislwyn Environment Centre	131,250	-	(1,875)	-	129,375
Welsh Government - ENRaW	215	265,896	(265,896)	-	215
WCVA	-	16,554	(18,916)	2,362	-
WCVA - Landfill Disposals Tax Communities Scheme Grant	-	30,154	(30,154)	-	-
Windpower Community Fund	772	-	(400)	-	372
At 31 March 2022	174,179	648,090	(577,407)	-	244,862

16 Statement of funds (continued)

Restricted funds (continued)

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
Charity					
ACT (Traineeships)	594	-	-	-	594
Business Resilience Fund	-	568	(238)	-	330
D'Oyly Carte	-	2,362	-	(2,362)	-
Get Together (FSW)	11,421	15,053	(15,257)	-	11,217
Groundwork Wellbeing (WG)	-	33,886	(32,523)	-	1,363
Job Retention Scheme	-	13,072	(13,072)	-	-
NatWest Enterprise Officer	228	-	-	-	228
Nurture, Equip, Thrive	2,667	-	-	-	2,667
Postcode Lottery (R2L)	-	15,450	(13,550)	-	1,900
Regeneration [WG]	-	125,000	(125,000)	-	-
Routes to life	744	18,436	(18,674)	-	506
Tesco Enablers	-	46,500	(16,377)	-	30,123
Tesco Play	6,652	-	-	-	6,652
WCVA: Active Inclusion	-	16,554	(18,916)	2,362	-
WCVA – Landfill Disposals Tax Communities Scheme Grant	-	30,154	(30,154)	-	-
Welsh Government – ENRaW	215	265,896	(265,896)	-	215
At 31 March 2022	22,521	582,931	(549,657)	-	55,795

16 Statement of funds (continued)

Restricted funds

ACT Traineeships – funding provided towards providing traineeships.

Business Resilience Fund - Welsh Government – Business Resilience provided funds towards core costs and the purchase of equipment for staff working remotely during Covid 19 lockdown.

Circular Economy Capital Fund 2020-21 - This fund was open to local authorities to help Wales shift towards a circular economy driving further increases in recycling and decarbonisation.

D'Oyly Carte - Funding to support the costs of running Routes2Life, a horticultural project and site near Blackwood, for social and therapeutic horticulture by using gardening or other environmental activities to bring about positive changes in the lives of those who are living with disabilities or ill-health.

Garfield Weston – grant funding provided for capital expenditure and the funding is being depreciated in line with charity's depreciation policy. Resources expended represents the depreciation charge for the year.

Get Together (FSW) - The fund aims to influence how food is produced and consumed in Wales, ensuring that sustainable food, farming and fisheries are at the heart of a just, connected and prosperous food system.

Grantscape - Pen Bryn Oer Wind Farm provides grant up to £2,000 for projects located within Community Council areas of Rhymney and Tredegar to provide grants to support community groups who offer vital services related activities or towards improvements to community amenities.

Groundwork Wellbeing (WG) Heritage Fund - Funding a broad range of projects that connect people and communities to the national, regional and local heritage of the UK.

Job Retention Scheme – relates to government funding to support 80% of salary costs of staff furloughed during the COVID 19 pandemic.

NatWest Enterprise Officer - funding to employ a member of staff to offer financial literacy skills to beneficiaries.

Nurture, Equip, Thrive - This is a European funded programme which supports people to undertake health and wellbeing activity when they are off work sick, and also helps organisations to help their workforces to stay healthy and fit at work, preventing illness and supporting wellbeing.

Postcode Lottery (R2L) - The aim of the fund is to support smaller charities and good causes to make a difference to their community for the benefit of people and the planet.

Regeneration [WG] - This core funding continues to support our organisation with a focus on town centre work.

16 Statement of funds (continued)

Routes to life – We continue to run our horticultural project; providing placements for a wide range of clients and volunteers.

Tesco Enablers

We continue to operate as a partner to the Tesco Bags of Help programme, which supports community groups to apply for funding raised through the sales of carrier bags.

Tesco Play - Tesco Bags of Help is funded a series of small, localised environmental conservation sessions for families and children. The sessions will be delivered on a range of community green space sites across South Wales.

Ty Mynyddislwyn Environment Centre - This represents funding provided to purchase the property under the capital asset transfer scheme. The property is being depreciated in line with the charity's depreciation policy. Resources expended represents the depreciation charge for the year.

Welsh Government – ENRaW - Our We Care programme enables us to provide opportunities for people to participate in Green Teams, Volunteering and Education whilst also achieving accreditation. The Programme supports the biodiversity and community ownership of green spaces and we work in partnership with Groundwork North Wales.

WCVA – Landfill Disposals Tax Communities Scheme Grant - To support Aberbeeg Community Centre to make better use of its green space, including installation of seating area and planting of fruit trees. Funding term: 1 year from 1st December 2020.

Windpower Community Fund – grant funding provided for capital expenditure and the funding is being depreciated in line with charity's depreciation policy. Resources expended represents the depreciation charge for the year on a vehicle.

16 Statement of funds (continued)

Restricted funds

Previous year

<u>Group</u>	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
ACT (Traineeships)	-	17,243	(16,649)	-	594
Business Resilience Fund	-	41,442	(41,442)	-	-
Circular Economy fund	-	39,905	(39,905)	-	-
Garfield Weston (Capital)	25,459	-	(6,600)	-	18,859
Get Together (FSW)	-	12,500	(1,079)	-	11,421
Grantscape	-	2,000	(1,224)	-	776
Groundwork Wellbeing (WG)	-	892	(892)	-	-
Healthy Rivers	-	61,459	(37,328)	(24,131)	-
Job Retention Scheme	-	212,330	(212,330)	-	-
NatWest Enterprise Officer	228	-	-	-	228
Nurture, Equip, Thrive	17,109	11,494	(25,936)	-	2,667
Postcode Lottery (R2L)	-	4,309	(4,309)	-	-
Regeneration [WG]	-	125,000	(125,000)	-	-
Routes to life	744	23,824	(23,824)	-	744
Tesco Enablers	4,234	42,031	(24,731)	(21,534)	-
Tesco Play	6,683	-	(31)	-	6,652
Ty Mynyddislwyn Environment Centre	133,125	-	(1,875)	-	131,250
Waste Surveys	28,123	-	-	(28,123)	-
Welsh Government – ENRaW	215	229,379	(229,379)	-	215
Windpower Community Fund	772	-	-	-	772
Wood 2 Work	-	3,675	(3,675)	-	-
At 31 March 2021	216,693	827,483	(796,209)	(73,788)	174,179

16 Statement of funds (continued)

Restricted funds

Previous year

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Charity					
ACT (Traineeships)	-	17,243	(16,649)	-	594
Business Resilience Fund	-	41,442	(41,442)	-	-
Get Together (FSW)	-	12,500	(1,079)	-	11,421
Groundwork Wellbeing (WG)	-	892	(892)	-	-
Healthy Rivers	-	61,459	(37,328)	(24,131)	-
Job Retention Scheme	-	144,606	(144,606)	-	-
NatWest Enterprise Officer	228	-	-	-	228
Nurture, Equip, Thrive	17,109	11,494	(25,936)	-	2667
Postcode Lottery (R2L)	-	4,309	(4,309)	-	-
Regeneration [WG]	-	125,000	(125,000)	-	-
Routes to life	744	23,824	(23,824)	-	744
Tesco Enablers	4,234	42,031	(24,731)	(21,534)	-
Tesco Play	6,683	-	(31)	-	6,652
Waste Surveys	28,123	-	-	(28,123)	-
Welsh Government - ENRaW	215	229,379	(229,379)	-	215
Wood 2 Work	-	3,675	(3,675)	-	-
At 31 March 2021	57,336	717,854	(678,881)	(73,788)	22,521

17. STATUS

Groundwork Wales is a company limited by guarantee, not having a share capital, exempt from the requirement to use the word 'limited' and is a registered charity. The liability of each member under the guarantee is limited to £1.

From 1 February 2015 Groundwork Caerphilly became a subsidiary of Groundwork Wales, that in turn owns 100% of the issued share capital of GC Enterprises (Wales) Limited. G C Enterprises (Wales) Limited has been dormant since 1 January 2018.

18. PENSION SCHEMES – GROUP

The group contributes to employee's own personal pension schemes. The pension cost charge represents contributions paid by the group to the individual schemes and amounted to £55,153 (2021: £36,222) during the year. At the year-end £nil (2021: £nil) was accrued in respect to contributions to the scheme.

PENSION SCHEMES – CHARITY

The Charity contributes to employee's own personal pension schemes. The pension cost charge represents contributions paid by the Charity to the individual schemes and amounted to £50,383 (2021: £32,121) during the year. At the year-end £nil (2021: £nil) was accrued in respect to contributions to the scheme.

19. RELATED PARTY TRANSACTIONS

From 1 February 2015 Groundwork Caerphilly became a subsidiary of Groundwork Wales. Groundwork Caerphilly owns 100% of the issued share capital of its trading subsidiary GC Enterprises (Wales) Limited.

The charity was owed £164,697 (2021: £217,269) by Groundwork Caerphilly at 31 March 2022.

During the year the charity was re-charged £14,561 (2021: £36,321) by Groundwork Caerphilly for expenditure made on its behalf.

During the year the charity donated £32,000 (2021: £35,000) to Groundwork Caerphilly.

During the prior year the charity made related party transactions with the related party Ariege Ltd. The related party nature is due to the charity having a mutual trustee in Jeff Greenidge.

20 Reconciliation of net income to net cash flow from operating activities

	2022 £	2021 £
Net income for the reporting period (as per the SOFA)	196,664	102,802
Adjusted for:		
Dividends, interest and rents from investments	-	(5)
Depreciation & amortisation charges	26,116	22,182
Proceeds from the disposal of fixed assets	5,628	-
(Increase)/decrease in stocks	(2,372)	(960)
(Increase)/decrease in debtors	48,590	10,862
Increase/(decrease) in creditors	(78,511)	44,553
Net cash provided by operating activities	<u>196,115</u>	<u>179,434</u>

Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	731,713	632,357
	<u>731,713</u>	<u>632,357</u>

Advisors

Auditors

Azets Audit Services
Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

Bankers

Barclays Bank Plc
South Wales Corporate Banking Team
PO Box 674
121 Queen Street
Cardiff
CF10 2XU

The Board of Trustees

The trustees (who are the directors of the company in accordance with the Companies Act 2006) on the date of approval of this report, or who served as trustees at any time during the year reported on, are as follows.

Appointed trustees	First appointed	Last appointed	Retired/resigned
Mr B Matthew	11 March 2016		
Mrs N Rees	11 March 2016		
Mr J D Greenidge	9 February 2018		
Mr D Havard	28 February 2018		27 May 2022
Ms K Heenan-Davies	5 December 2018		11 November 2022
Mr P Fiander	10 December 2018		
Ms L Barry	27 August 2020		13 September 2021
Mr P Robinson	10 September 2020		5 May 2022
Mr S Williams	24 June 2022		
Mr J Parkin	8 November 2022		

Chairman

Mr J D Greenidge

Company Secretary

Ms K Stevenson

Chief Executive

Ms K Stevenson

GROUNDWORK WALES

England & Wales - Charity number 1096662

Accounts



Groundwork Wales

**Annual Report and
Financial Statements 2020/21**

Groundwork Wales

Charity registration no. 1096662
Company registration no. 3577896

Registered office
Ty Mynyddislwyn Offices, Bryn Road, Pontllanfraith, Blackwood, Gwent NP12 2BH

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About Groundwork Wales

Groundwork Wales is a charity, working within the federation of Groundwork Trusts, locally and nationally to transform lives in the UK's most disadvantaged communities.

We're passionate about creating a future where every neighbourhood is vibrant and green, every community is strong and able to shape its own destiny and no-one is held back by their background or circumstances.

We help people gain confidence and skills, get into training and work, protect and improve green spaces, lead more active lives and overcome significant challenges such as poverty, isolation, low skills and poor health.

Groundwork harnesses the passion, skills and experience of 35 employees and 8 volunteer trustees. In 2020/21 we delivered projects and programmes to a value of some £1.36m.

Groundwork Wales is registered as a company and charity. This report outlines the activity, priorities and financial position of Groundwork. More information on our work can be found in our Impact Report and on our website.

Chairman's statement

The Covid pandemic changed the way we live our lives. From March 2020, we were brought together in a different way. We looked out for each other and stopped to consider that our families, friends, and neighbours were doing ok. This is what people do in South Wales. Although these have been challenging times, I am encouraged by the way the Groundwork Wales team responded and in true spirit continued to look out for each other and for the people in the communities in which we work.

As a Board we continued to meet virtually and were kept up to speed with development by our CEO Katy Stevenson and the senior management team.

Highlights for me in this year were:

- Groundwork Wales Working in Partnership with Valleys Regional Park
- Groundwork Wales Well-being Programme
- Bridgend Greenspaces

I would like to express my thanks to the staff and the trustees for the ongoing hard work and dedication. We, the Groundwork Wales Board of Trustees, are proud to have such a committed "work family" and we recognise everything you did to help get us all through these challenging times. It is amazing to think how we have moved and grown as an organisation even in this difficult time and we have become more efficient, effective, and confident both in the internal workings and in our working with partners.

Thank you for your contribution to our success this year and on behalf of the Board, please continue to stay safe.

Jeff Greenidge
Chairman

Governance

Registration numbers

Charity Registration Number 1096662

Company Registration Number 03577896

Structure

Groundwork Wales' governing documents are its Memorandum and Articles of Association, which were last amended by written resolution in March 2016.

Board of trustees

The board of trustees sit in accordance with the Charities Act 2011, and are also the directors of the company in accordance with the Companies Act 2006. The majority of our trustees are co-opted, with one nominated member from Caerphilly council. We seek a broad skills base on our board of trustees to enable us to benefit from specialist expertise and networks.

We take our governance responsibilities very seriously, recognising the need to ensure as much of our resource as possible is expended on delivering our charitable mission while ensuring our organisation is strong, well-managed and financially viable in the long term.

New trustees are provided with an induction to the organisation, which includes a specific focus on their role and responsibilities.

Trustees are responsible for ensuring sound organisational systems, processes and policies are maintained and embedded in the way Groundwork UK is managed. This includes policies governing our fundraising standards, our investments and our responsibilities to our staff, volunteers and beneficiaries. We pay particular attention to issues of health and safety, safeguarding, data protection and information security, each of which has a champion on our board, and maintains comprehensive business continuity arrangements. We undertake a regular skills audit of our board to ensure we have access to the expertise needed to run our organisation efficiently, effectively and safely.

Groundwork Wales' Management Team is led by the Chief Executive and includes senior staff members responsible for financial and business management, business development, communications and fundraising and programme management. This team is fully accountable to the Board and its Committees. It operates through delegated powers outlined in our financial regulations and provides regular reports on financial and operational performance and risk management.

Related party transactions

Each Groundwork Trust is an independent charity with similar aims. We operate within a group structure and Groundwork Caerphilly is a wholly owned subsidiary. Each Groundwork Trust is therefore responsible for its own management and administration, and for developing and delivering projects that meet its objectives and core purposes. Some of the appointed trustees of Groundwork Wales are also trustees of Groundwork Caerphilly. Groundwork Caerphilly is a related party to Groundwork Wales.

Groundwork Wales has considered the other disclosure requirements of the SORP and believes that there are no other related party transactions.

Our commitments

Everything Groundwork Wales does is underpinned by a set of values, which inform the way we work and behave.

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. We do not undertake widespread fundraising from the general public.

All of our fundraising is managed internally and we do not employ commercial participators or professional third-party fundraisers. The day to day management of all income generation activity is delegated to the senior management team, who are accountable to the trustees.

Groundwork Wales is not required to be bound by any regulatory scheme.

As a charity dedicated to supporting people who may be vulnerable we are committed to ensuring our operations are delivered safely and to the highest ethical standards. We have a Groundwork-wide commitment to effective safeguarding and aim to meet best practice standards in terms of management, governance and transparent reporting.

Objectives and public benefit

Groundwork Wales' charitable objectives are set down in its Memorandum of Association and date from the interpretation of charitable activities when they were drafted in 1998, as amended at annual general meetings and by written resolution. They commit Groundwork Wales to delivering and promoting regeneration and sustainable development as follows:

CHECK The objects of the Company are firstly to promote the conservation, protection and improvement of the physical and natural environment anywhere in the area; secondly to provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for those living in or working in or resorting "to Wales"; thirdly to advance public education in environmental matters and of the ways or better conserving, protecting and improving the same wheresoever; and fourthly to promote the efficiency of other charities having objects similar to the objects of the Company.

Groundwork Wales' trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the organisation's objectives and planning future activities. In particular, the trustees consider how planned activities will contribute to the charitable objectives set out above. Further details about the impact of Groundwork Wales' activities during 2020/21 can be found on the following pages.

Our work is designed to address the needs of all sections of the community and we provide equal access to our services regardless of race, gender, disability or sexual orientation.

For further details about our work visit www.groundwork.org.uk

Strategic report for the year ended 31 March 2021

The Board of Trustees presents its report for the year ended 31 March 2021. This includes statements about our organisation (page 9), its objectives and its governance (pages 5), our financial and operational review for the year (pages 9-10), our plans for the future (pages 8) and details of our trustees, senior staff and advisers (pages 48-49).

1. Performance overview

2020/21 was an unprecedentedly challenging year, due to the global Coronavirus pandemic. Much of our work was halted due to long periods of restrictions which, for the majority of programmes accounted for 9 months of the year due to first a national lockdown, then a brief open period during the summer, followed by firebreak and local lockdown which covered December through to March.

Despite the issues, we were able to make some financial surplus in the year, as well as providing for future needs in terms of building maintenance and refurbishment. The designated fund was increased to £66,000 to have sufficient money to undertake remedial repairs to the roof and windows of the building and boiler replacement.

The vast majority of activities set out in our business plan for the year have been delivered to some extent, however, we were legally obliged to halt activities at various stages of the year, and we also were unable to operate at full capacity due to restrictions (social distancing, local travel only etc). Unfortunately, we had to end our contract to deliver Traineeships as it was unviable in lockdown conditions.

Tight control of our costs and good performance on existing programmes has enabled us to report a financial surplus, allowing us to continue adding gradually to reserves to meet our target of holding a year's worth of operating costs.

Activity highlights

Groundwork continues to deliver a rich variety of local projects, programmes and services that are transforming lives in local communities and helping more people get involved in taking action to improve their personal circumstances and the quality of life in their area.

Last year we sourced £1.16m of funding or enterprising income to support our collective mission.

Groundwork Wales' activities have added value to communities as follows: -

Supporting communities through grants

Helping to equip communities with the skills, capacity and networks needed to bring about change in their local area has been core to Groundwork's mission since its inception. Groundwork Wales has developed its role as a grant manager on behalf of businesses and government, providing robust systems informed by feedback from community groups and supported 'on the ground' by a network of Groundwork Trust enablers. Groundwork Wales has contributed as follows.

- The **Tesco Bags of Help** programme entered a new phase during the year with the small grant scheme supplemented by a 'flagship' programme to mark the celebration of Tesco's centenary. The programme continues to meet all of its KPIs, and receive positive feedback from Tesco colleagues and community groups. In 2020/21, Bags of Help has provided more than £88 million across the UK to over 4,700 local community projects and unlocked 315,000 hours of social action in the UK. The programme was bent to cover Coronavirus response activity during the year.

Programmes

We run a broad range of programmes, all of which benefit communities and individuals in line with our objectives, including:

- WeCare
- Healthy Rivers
- Routes2Life
- Wood2Work
- The Green Dragon Environmental Standard
- Tesco Bags of Help (through Tesco Enablers)
- Greencare
- Valleys Regional Park Guardians
- Furniture Revival (Groundwork Caerphilly)
- Environment Centre

Building a better Groundwork

As part of the Federation of Groundwork Trusts, Groundwork Wales is contributing to a transformation programme aimed at improving the federation's ability to deliver impact through a collective focus on income diversification, improved and more consistent business management and new models of delivery supported by shared services.

2. Our plans for the future

In order to ensure Groundwork Wales' activities are fully aligned with the needs and expectations of our wider federation, our forward plans are clearly and explicitly driven by Groundwork's collectively agreed strategy. This can be summarised as follows.

'Groundwork 2023', details how we will support communities to combat the climate and nature emergency, improve their health and wellbeing and gain access to learning and work opportunities.

Groundwork 2023 sets out the charity's ambition to become a significant, radical, national force for driving change in attitudes, behaviours, places and prospects in the local communities that need it most. The strategy commits Groundwork to achieving the following by 2023:

- Mobilise 75,000 days of voluntary action to combat the climate and nature emergency
- Connect 50,000 people with their community and nature to improve wellbeing
- Support 20,000 people into accessing learning and work

3 Financial performance

Groundwork Wales' net incoming resources for 2020/21 totalled £1.156 million (compared to £1.263 million in 2019/20), with an unrestricted surplus of £95,241

Our long-term financial strategy has three clear and linked strands as follows:

- to manage our overhead costs to ensure discretionary spending is focused on supporting front line delivery and generating more income while maintaining the capacity we need to operate effectively and safely
- to achieve an operating surplus so that we can hold a level of reserves sufficient to sustain our charitable operations and strengthen our balance sheet to support commercial services and manage the risk of outcome-based funding arrangements

3.1 Reserves

In line with this financial strategy our trustees have agreed that we should aim to hold 3 months operating costs (circa £335K) in liquid reserves. We believe this is appropriate for the following reasons:

- to absorb short term setbacks such as loss or delays in funding
- to provide the working capital required to finance retrospective programme funding which can result in considerable timing differences between expenditure and receipt of funds
- to cover the cost of investing in staff training and development to develop new and improved services for Groundwork
- to cover the cost of developing new services, such as improved communications, research and quality and business information systems
- to set aside funds for capital assets such as ICT equipment
- to provide funding to cover any unforeseen downturn in activity, allowing alternative activity to be generated and/or a planned down-sizing of our staff team.

The above needs for reserves have to be balanced against the following factors:

- the need to be seen as a responsible charity by the Charity Commission, our partners and funders, our member Trusts within Groundwork and the communities we serve
- the need to avoid the creation or retention of unnecessary surpluses for which there is no future planned requirement or that bear no relation to our charitable aims.

Our level of free liquid reserves at the end of 2020/21 stands at £480,420. Our general fund reserve does not include designated funds, which have been set aside for specific purposes, or restricted funds, which represent advance payments by funders held by Groundwork Wales pending completion of project work by Groundwork Trusts and other delivery partners.

Unrestricted reserves total £512K (2020/21: £416K).

Restricted funds can only be used in accordance with agreements reached with funders relating to programmes of work and therefore do not form part of the general reserves that are under the control of the trustees. These funds will all be distributed during 2021/22. The future movements on any such restricted funds reflect the long-term nature of Groundwork Wales programme activity and in no way reflects on the organisation's financial efficiency or performance. /

The charities subsidiary Groundwork Caerphilly reported an overall net surplus of £42,375 (2020/21 deficit of £75,962) as detailed in note 11.

3.2 Investments

The majority of the funds obtained by Groundwork Wales are provided against specified projects for particular needs and are therefore of a restricted nature.

We do not currently invest monies.

3.3 Grant making policy

Groundwork Wales delivers its mission primarily by distributing grants to other delivery partners and to community groups. These funds are considered to be performance related grants and are recognised in these financial statements to the extent that the projects which they are funding have been completed. All grant programmes have specific guidelines, criteria and priorities with a formal process of approval.

3.4 Principal funding sources

Our major sources of funding for the group during the last year are set out below.

- Private Sector Grants and contracts – £210K (£274K in 2019/20)
This includes funds provided by businesses, trusts and foundations, most notably £42k provided by Tesco to support community groups through the Bags of Help programme. Other major funders during 2020/21 included Garfield & Western
- Public sector grants and contracts - £178K (£301K in 2019/20)
This includes funding secured to deliver programmes and services on behalf of government departments, public bodies and lottery distributors.

3.5 Expenditure on charitable objectives

In line with the objectives set out in our Groundwork 2020 strategy and the Groundwork Wales business plan, our expenditure in the year was directed towards the provision of resources to support frontline delivery and ensure our organisation delivers effectively and safely.

3.6 Key Performance Indicators

Data against a number of key performance indicators is presented to our trustees on a quarterly basis to measure our success in profile raising, income generation, programme management and continual improvement. These KPIs are tracked on a rolling basis and compared to target levels of performance outlined in our annual business plan.

Monthly management accounts track progress against our financial targets and reforecasts to the year-end are made quarterly. A key performance indicator is the amount of income secured as a percentage of forecast salaries and operating costs. This informs year-end forecasts based on prior years' experience.

Performance during 2020/21 has been positive in the context of the pandemic. Programme performance has been a more mixed picture with most of the areas we operate in closed for large portions of the year, however, where and when it was possible to deliver safely we have continued to do so.

3.7 Sustainable Development Report

Groundwork's charitable mission is to promote sustainable development – helping communities and individuals develop the understanding and capability to take action and make choices that deliver social equity and economic prosperity while recognising the need to live within the earth's finite natural resources. In order to have credibility as an organisation we need to demonstrate that the principles of sustainable development underpin the way we go about our work. Our sustainable development policy commits us to reporting on how these principles are integral to the way we plan and manage our operations, support our employees and utilise our resources.

- **Areas of progress**

As a team, we continue to focus on ensuring that our staff adopt more sustainable practices in the workplace, both through ongoing reinforcement of messages around electricity use and waste but also through dedicated campaigns to promote sustainable travel. We prioritise ethical suppliers in our purchasing arrangements for utilities, catering, cleaning and promotional materials. As a small team of people, we recognise the biggest impact we can make lies in the programmes we manage and the campaigns we run. Our focus is on securing funds that can help people and groups make a positive impact on the environment, but we know we can do more to provide support to all those benefiting from our programmes to act in a more environmentally responsible way. As the whole of Groundwork refreshes its strategy for the next five years we will press for a stronger focus on developing programmes and services that help communities tackle waste and climate change.

3.8 Principal risks and uncertainties

Our board of trustees understands its responsibilities under the Charity Commission's Statement of Recommended Practice (SORP) for ensuring that the major risks to which the charity is exposed are identified and reviewed, and that there are systems in place to mitigate them.

Trustees regularly review the development and operation of our risk management process and receive quarterly updates on actions put in place to mitigate the most significant ongoing risks. Risks are identified by our staff teams and reviewed on a regular basis by our management team. All of Groundwork Wales' major programmes are managed on a risk basis with individual risk registers used both as management and reporting tools. We have a comprehensive business recovery plan in place which is designed to ensure continuity of Groundwork Wales operations in the event of a crisis or disaster situation and which has been tested through scenarios in each team.

The major areas of potential risk, for which we have active mitigation strategies in place, are as follows:

- Slow recovery in financial climate, inability to secure income and threat to bottom line and business viability
- Increased competition / Diminishing Grant funds
- Lower Business Viability/Pressure on reserves - Significant reduction in core funding WG, Significant reduction in funding Local Authorities
- Covid-19 Recovery

Groundwork Wales recognises that risk management is an essential part of good business practice and an effective mechanism of good governance. The Board is committed to ensuring that risk management processes are embedded throughout the organisation, and that these processes are used to help identify at an early stage issues that affect performance or the achievement of our purpose.

However, trustees also recognise that our process can only seek to manage rather than eliminate risk, and that it should therefore be only one of the tools that the Board uses to provide effective control and management of the administration of the charity.

3.9 Financial instruments

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

4 Statement of trustees' responsibilities

The trustees are responsible for preparing the Annual Report and 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 charity's 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.

Events after the year end

There have been no events to report.

Disclosure of information by the trustees to the auditor

Each of the trustees has confirmed that, so far as they are aware, there is no relevant audit information of which Groundwork Wales auditor is unaware, and that they have taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that Groundwork Wales auditor is aware of that information.

Signed on behalf of the Board of trustees


Jeff Greenidge
Chairman

Date: 30/11/2021

Independent Auditor's Report to members of Groundwork Wales

Opinion

We have audited the financial statements of Groundwork Wales (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the consolidated Statement of Financial Activities, the consolidated and parent Balance Sheet, the consolidated Statement of Cash Flows and notes to the financial statements, including 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2021, and of the group's incoming resources and application of resources, including its income and expenditure, 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

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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating 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's or 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 other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and directors report) 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 including the trustees report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report included within the trustees 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's 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 set out on page 11 the trustees (who are also the directors of the parent 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 determine 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 groups and 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 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 auditor under [the Companies Act 2006 and report in accordance with this Act.

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.

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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report

Extent to which the audit was considered 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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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.



Sarah Case FCA DChA
(Senior Statutory Auditor)
For and on behalf of Azets Audit Services
Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

Date:6-12-2021.....

Groundwork Wales
Consolidated Statement of financial activities for the year ended 31 March 2021
Including Income and Expenditure Account

	Note	2021 Unrestric ted funds £	2021 Restricted funds £	2021 Total £	2020 Total £
Income From					
Donations and legacies	2	15,201	-	15,201	7,383
Charitable activities	3	518,173	827,483	1,345,656	1,456,676
Other income	2	4,831	-	4,831	28,375
Investments	2	5	-	5	7
Gain on disposal of fixed assets	4	-	-	-	1,100
TOTAL		<u>538,210</u>	<u>827,483</u>	<u>1,365,693</u>	<u>1,493,541</u>
Expenditure on					
Charitable activities	5	466,682	796,209	1,262,891	1,648,887
TOTAL		<u>466,682</u>	<u>796,209</u>	<u>1,262,891</u>	<u>1,648,887</u>
Net income/(expenditure)		71,528	31,274	102,802	(155,346)
Transfers between funds		73,788	(73,788)	-	-
Net movement in funds	8	<u>145,316</u>	<u>(42,514)</u>	<u>102,802</u>	<u>(155,346)</u>
Reconciliation of funds					
Fund balances brought forward	17	449,829	216,693	666,522	821,868
Fund balances carried forward	16,17	<u>595,145</u>	<u>174,179</u>	<u>769,324</u>	<u>666,522</u>

Incoming resources and resources expended derive from continuing operations.

The company has no other recognised gains or losses other than those passing through the statement of financial activities.

The statement of financial activities also complies with the requirement for an income and expenditure account under the Companies act 2006.

The notes pages 21 to 49 form part of these financial statements.

Groundwork Wales
Charity Statement of financial activities for the year ended 31 March 2021
Including Income and Expenditure Account

	Note	2021 Unrestric ted funds £	2021 Restricted funds £	2021 Total £	2020 Total £
Income From					
Donations and legacies	2	12,934	-	12,934	7,311
Charitable activities	3	425,225	717,854	1,143,079	1,256,000
TOTAL		<u>438,159</u>	<u>717,854</u>	<u>1,156,013</u>	<u>1,263,311</u>
Expenditure on					
Charitable activities	5	416,706	678,881	1,095,587	1,342,674
TOTAL		<u>416,706</u>	<u>678,881</u>	<u>1,095,587</u>	<u>1,342,674</u>
Net income/(expenditure)		21,453	38,973	60,426	(79,363)
Transfers between funds		73,788	(73,788)	-	-
Net movement in funds	8	<u>95,241</u>	<u>(34,815)</u>	<u>60,426</u>	<u>(79,363)</u>
Reconciliation of funds					
Fund balances brought forward	17	416,910	57,336	474,246	553,609
Fund balances carried forward	16,17	<u>512,151</u>	<u>22,521</u>	<u>534,672</u>	<u>474,246</u>

Incoming resources and resources expended derive from continuing operations.

The company has no other recognised gains or losses other than those passing through the statement of financial activities.

The statement of financial activities also complies with the requirement for an income and expenditure account under the Companies act 2006.

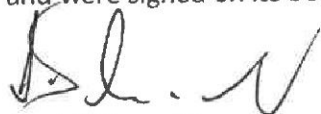
The notes pages 21 to 49 form part of these financial statements.

Groundwork Wales

Consolidated Balance sheet at 31 March 2021

<i>Company number 03577896</i>	Note	2021	2021	2020	2020
		£	£	£	£
Fixed assets					
Intangible assets	9		4,076		5,474
Tangible assets	10		167,059		183,045
			<u>171,135</u>		<u>188,519</u>
Current assets					
Stock		8,717		7,757	
Debtors	12	274,074		284,936	
Cash at bank		632,357		457,716	
		<u>915,148</u>		<u>750,409</u>	
Creditors: amounts falling due within one year	13	(316,959)		(272,406)	
Net current assets			598,189		478,003
Net assets			<u>769,324</u>		<u>666,522</u>
Reserves					
Unrestricted funds:					
General Funds	17		509,724		419,829
Designated funds	17		85,421		30,000
Restricted funds	17		174,179		216,693
			<u>769,324</u>		<u>666,522</u>

These finance statements were approved by the Board of trustees and authorised for issue on and were signed on its behalf by:



Mr J D Greenidge
Chairman

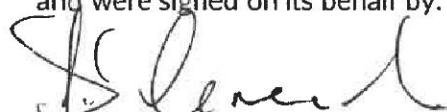
The notes pages 21 to 49 form part of these financial statements.

Groundwork Wales

Charity Balance sheet at 31 March 2021

<i>Company number 03577896</i>	Note	2021	2021	2020	2020
		£	£	£	£
Fixed assets					
Tangible assets	10		11,310		17,121
Current assets					
Debtors	12	436,336		313,522	
Cash at bank		377,754		388,270	
		<u>814,090</u>		<u>701,792</u>	
Creditors: amounts falling due within one year	13	(290,728)		(244,667)	
Net current assets			523,362		457,125
Net assets			<u>534,672</u>		<u>474,246</u>
Reserves					
Unrestricted funds:					
General Funds	17		491,730		416,910
Designated funds	17		20,421		-
Restricted funds	17		22,521		57,336
			<u>534,672</u>		<u>474,246</u>

These finance statements were approved by the Board of trustees and authorised for issue on and were signed on its behalf by:



Mr J D Greenidge
Chairman

The notes pages 21 to 49 form part of these financial statements.

Groundwork Wales

Cash flow statement for the year ended 31 March 2021

	Note	2020/21 £	2019/20 £
Cash flow from operating activities			
Net cash provided by operating activities	21	179,434	(54,758)
Cash flows from investing activities			
Dividends, interest and rents from investments		5	7
Purchase of property, plant and equipment		(4,798)	(2,700)
Proceeds from the disposal of fixed assets		-	1,100
Net cash provided by investment activities		<u>(4,793)</u>	<u>(1,593)</u>
Change in cash and cash equivalents in the reporting period		174,641	(56,351)
Cash and cash equivalents at the beginning of the reporting period		457,716	514,067
Cash and cash equivalents at the end of the reporting period		<u>632,357</u>	<u>457,716</u>

The notes pages 21 to 49 form part of these financial statements.

1 Charity Information

Groundwork Wales is a private company limited by guarantee incorporated in England and Wales. The registered office is Ty Mynyddislwyn, Bryn Road, Pontllanfraith, Blackwood, Gwent, NP12 2PH.

Accounting Policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the charity's financial statements.

Basis of Preparation

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (Effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention.

No separate cash flow statement has been presented for the charity itself as the charity has taken advantage of the exemptions in paragraph 1.12 of FRS 102.

Rounding

Figures contained in the financial statements have been rounded to the nearest pound.

Presentation of the accounts on a going concern basis

The charity reported a net unrestricted inflow of £95,241 for the year. The group reported a net unrestricted inflow of £145,316. This charity has sufficient free reserves and is monitoring results on a frequent basis. The trustees are of the view that on this basis the charity is a going concern and there are no material uncertainties about the charity's ability to continue as a going concern.

Basis of consolidation

The financial statements represent the consolidated financial position of the group. This comprises Groundwork Caerphilly and GC Enterprises (Wales) Limited. Groundwork Caerphilly is a subsidiary of Groundwork Wales and Groundwork Caerphilly own 100% of the share capital of GC Enterprises (Wales) Limited, which is now dormant.

The financial statements are consolidated on a line-by-line basis and cover the consolidated financial position and transactions of all companies controlled by the charity from the date of acquisition. All intra group transactions are eliminated on consolidation.

Fund accounting

Unrestricted funds are available for use at the discretion of the directors in furtherance of the Trust's general objectives.

Restricted funds are funds subject to specific restrictive conditions imposed by the terms of the grant or funding body.

Designated funds are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income and grants are included in incoming resources when receivable, except as follows: -

- When donors specify that the grants must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.
- When donors specify that grants are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Allocation of expenditure

Expenditure incurred by the charity in the year has been split between restricted and unrestricted funds. Costs have been analysed between direct charitable expenditure, fundraising and publicity and the administration and management of the charity. Expenditure relating directly to a cost category has been charged to that account. Expenditure, which includes more than one cost category, has been apportioned on a reasonable, justifiable and consistent basis to the categories involved. Committed expenditure that has yet to be invoiced is, in line with best accounting practice, not recognised in these accounts. It is intended that such expenditure will be funded by future income flows.

Charitable activities

This includes all expenditure directly related to the aims of the charity as follows:

- To promote the conservation, protection and improvement of the physical and natural environment.
- To provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for those living, working and visiting in the area.
- To advance public education in environmental matters and in the ways of better conserving, protecting and improving the environment.

Governance costs

These costs include the costs of governance arrangements, which relate to the general running of Groundwork Wales as opposed to the direct management functions inherent in generating funds, service delivery and programme of project work. These include such items as external audit, legal advice for trustees and costs associated with constitutional and statutory requirements.

Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure has been allocated to management and administration of the trust, where it relates to the management of the trust's assets, organisational administration and compliance with constitutional and statutory requirements.

Resources expended are recognised in the period in which they are incurred.

Intangible assets

Intangible assets are capitalised at costs and amortised over its expected useful life. The amortisation rate used is 20% on cost.

Tangible fixed assets

Fixed assets are capitalised at cost. Depreciation is calculated so that the cost of tangible assets or valuation less any residual value is written off over their estimated useful lives on the following basis: -

Computers	33.33% on cost
Office Equipment	20% on cost
Plant and Machinery	20% on cost
Buildings	2.5% on cost
Land	0% on cost
Motor Vehicles	20% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based on the estimated selling price after taking into account all further costs and excess stocks that are slow moving.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Capital grants received

Grants that relate to capital expenditure on specific projects are treated as restricted funds that are charged to the income and expenditure account at acquisition. This treatment is due to the nature of the funding as the grants are received to provide equipment to specifically run the projects and services.

Operating lease costs

The rentals under operating leases, where substantially all the benefits and risks of ownership remain with the lessor, are charged against profit as incurred.

Liabilities policy

Liabilities are recognised in the Statement of Financial Activities as they become payable.

Pensions

The charity operates a defined contribution scheme for the benefit of its employees. The assets of the scheme are held separately from those of the charity. Contributions payable are charged to the profit and loss account in the year they are payable and are charged against unrestricted funds.

Taxation

As a registered charity, Groundwork Wales is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

Critical accounting estimates and judgements

In the application of charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2 Incoming resources

Incoming resources from generated funds

	2021 Unrestricted £	2021 Restricted £	2021 Total £	2020 Total £
Voluntary income				
Group				
Donations	15,201	-	15,201	7,383
	<hr/> 15,201	<hr/> -	<hr/> 15,201	<hr/> 7,383
	<hr/>	<hr/>	<hr/>	<hr/>
Charity				
Donations	12,934	-	12,934	7,311
	<hr/> 12,934	<hr/> -	<hr/> 12,934	<hr/> 7,311
	<hr/>	<hr/>	<hr/>	<hr/>
Other trading activities				
Group				
Trading company income	4,831	-	4,831	28,375
	<hr/> 4,831	<hr/> -	<hr/> 4,831	<hr/> 28,375
	<hr/>	<hr/>	<hr/>	<hr/>
Investments				
Group				
Bank interest	5	-	5	7
	<hr/> 5	<hr/> -	<hr/> 5	<hr/> 7
	<hr/>	<hr/>	<hr/>	<hr/>

3 Incoming resources

Incoming resources from charitable activities provided by:

	2021 Unrestricted	2021 Restricted	2021 Total	2020 Total £
<u>Group</u>	£	£	£	
Welsh Assembly	-	648,947	648,947	459,906
Public Agencies and National Charities	103,590	73,959	177,549	301,749
Local Authority	170,548	38,993	209,541	204,570
Private Sector	146,403	63,584	209,987	274,630
Other income	97,632	2,000	99,632	215,821
	<u>518,173</u>	<u>827,483</u>	<u>1,345,656</u>	<u>1,456,676</u>

	2021 Unrestricted	2021 Restricted	2021 Total	2020 Total £
<u>Charity</u>	£	£	£	£
Welsh Assembly	-	541,318	541,318	457,206
Public Agencies and National Charities	103,590	73,959	177,549	301,749
Local Authority	170,548	38,993	209,541	204,570
Private Sector	146,403	63,584	209,987	274,630
Other income	4,684	-	4,686	17,845
	<u>425,225</u>	<u>717,854</u>	<u>1,143,079</u>	<u>1,256,000</u>

4 Other income

	2021 Unrestricted	2021 Restricted	2021 Total	2020 Total £
<u>Group</u>	£	£	£	£
Disposal of fixed assets	-	-	-	1,100
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,100</u>

5 Charitable activities

Expenditure on projects related to the following activities:

<u>Group</u>	2021 Total £	2020 Total £
Direct costs		
Staff Costs	676,288	730,282
Volunteer Costs	304	10,319
Material & direct purchases	61,664	96,359
Subcontractors & Consultancy	191,274	276,556
Training and Recruitment	14,016	45,579
Project Travel and Transport	22,104	44,413
Project Publicity	4,396	7,415
Trainee allowances and expenses	4,340	12,012
Professional Fees	66,078	87,588
Administration & Sundry	6,570	21,030
Communications & IT	12,172	9,483
Motor, travel & expenses	78	2,149
Premises expenses	350	13,423
	<u>1,059,634</u>	<u>1,356,608</u>
Support costs		
Staff Costs	116,511	149,160
Recruitment & Training	-	1,689
Premises Expenses	26,706	42,980
Depreciation	22,182	22,049
Motor Travel and Expenses	-	12,738
Legal and professional	2,820	5,020
Communications & IT	4,099	11,651
Administration & Sundry	677	18,120
Governance	30,262	28,872
	<u>203,257</u>	<u>292,279</u>
Total	<u>1,262,891</u>	<u>1,648,887</u>
Analysed between:		
Unrestricted	466,682	605,719
Restricted	796,209	1,043,168
	<u>1,262,891</u>	<u>1,648,887</u>

5 Charitable activities (continued)

Expenditure on projects related to the following activities:

	2021 Total £	2020 Total £
<u>Charity</u>		
Direct costs		
Staff Costs	536,561	579,379
Volunteer Costs	123	8,665
Material & direct purchases	45,278	50,551
Subcontractors & Consultancy	191,208	276,556
Training and Recruitment	14,016	45,479
Project Travel and Transport	8,222	38,119
Project Publicity	4,396	6,631
Trainee allowances and expenses	4,340	12,012
Professional fees	66,078	87,588
Communications & IT	11,797	8,601
Administration & Sundry	38,941	7,441
Premises Expenses	12,261	9,365
Motor Travel and Expenses	36	1,552
	<u>933,257</u>	<u>1,131,939</u>
Support costs		
Staff Costs	98,412	120,707
Recruitment & Training	-	1,689
Premises Expenses	15,127	22,355
Motor Travel and Expenses	-	3,189
Legal and professional	1,496	3,341
Communications & IT	4,471	9,624
Administration & Sundry	555	17,453
Depreciation	9,771	8,451
Governance	32,498	23,926
	<u>162,330</u>	<u>210,735</u>
Total	<u>1,095,587</u>	<u>1,342,674</u>
Analysed between:		
Unrestricted	416,706	310,295
Restricted	678,881	1,032,379
	<u>1,095,587</u>	<u>1,342,674</u>

The charity paid grants to the following institutions during the period:

	2021 £	2020 £
Groundwork North Wales	184,526	223,878
SE Wales River Trust	-	18,413
	<u>184,526</u>	<u>242,291</u>

6 Employees

The average monthly number of employees during the year was as follows.

<u>Group</u>	2021	2020
Direct charitable	30	33
Management and admin	7	10
	<u>37</u>	<u>43</u>

Charity

Direct charitable	21	23
Management and admin	6	9
	<u>27</u>	<u>32</u>

The aggregated cost of these persons was as follows.

<u>Group</u>	2021 £	2020 £
Wages and salaries	690,844	782,713
Social security costs	53,918	58,508
Pension costs	36,222	38,322
	<u>780,984</u>	<u>879,543</u>

Charity

Wages and salaries	542,343	611,718
Social security costs	48,695	54,855
Pension costs	32,121	33,615
	<u>623,159</u>	<u>700,188</u>

The emoluments of employees (excluding pension contributions) over £60,000 per annum are disclosed in £10,000 bands as follows.

	2021	2020
	No.	No.
£60,000 - £70,000	-	1
	<u>-</u>	<u>1</u>

Key management personnel

The key senior management personnel of the charity are as detailed in the Trustees report with a total cost in 2021 of £178,599 (2020: £194,676). Total contributions under defined contribution schemes on behalf of these higher paid employees were £10,605 (2020: £9,771).

7 Transactions with trustees

No trustees received any remuneration for services performed on behalf of the charity.

No trustee expenses were paid during the current or previous year.

8 Net incoming resources

<u>Group</u>	2021	2020
	£	£
Net incoming resources for the year is stated after charging:		
Auditor's remuneration:	11,700	9,300
Depreciation of owned fixed assets	20,784	20,651
Operating lease rentals	1,656	1,656
Amortisation	1,398	1,398
	<u> </u>	<u> </u>
 <u>Charity</u>		
Net incoming resources for the year is stated after charging:		
Auditor's remuneration:	7,200	5,800
Operating lease rentals	1,656	1,656
Depreciation of owned fixed assets	9,771	8,451
	<u> </u>	<u> </u>

9 Intangible fixed assets

<u>Group</u>	IT equipment £
<i>Cost</i>	
At 1 April 2020	6,988
At 31 March 2021	<u>6,988</u>
<i>Amortisation</i>	
At 1 April 2020	1,514
Additions	1,398
At 31 March 2021	<u>2,912</u>
<i>Net book value</i>	
At 31 March 2021	<u>4,076</u>
<i>Net book value</i>	
At 31 March 2020	<u>5,474</u>

10 Tangible assets

<u>Group</u>	Plant and machinery	Motor vehicles	Buildings	Total
<i>Cost or Valuation</i>				
At 1 April 2020	58,554	28,523	150,000	237,077
Additions	4,798	-	-	4,798
Disposals	(12,251)	(2,500)	-	(14,751)
At 31 March 2021	51,101	26,023	150,000	227,124
<i>Depreciation</i>				
At 1 April 2020	28,272	8,885	16,875	54,032
Charged for the year	14,079	4,830	1,875	20,784
Disposals	(12,251)	(2,500)	-	(14,751)
At 31 March 2021	30,100	11,215	18,750	60,065
<i>Net book value</i>				
At 31 March 2021	21,001	14,808	131,250	167,059
At 31 March 2020	30,282	19,638	133,125	183,045

<u>Charity</u>	Plant and machinery	Total
<i>Cost or Valuation</i>		
At 1 April 2020	28,405	28,405
Additions	3,960	3,960
At 31 March 2021	32,365	32,365
<i>Depreciation</i>		
At 1 April 2020	11,284	11,284
Charged for the year	9,771	9,771
At 31 March 2021	21,055	21,055
<i>Net book value</i>		
At 31 March 2021	11,310	11,310
<i>Net book value</i>		
At 31 March 2020	17,121	17,121

11 Charitable Subsidiary

Groundwork Caerphilly

On 1 February 2015 the charity became a subsidiary of Groundwork Wales, Groundwork Caerphilly is a charitable company, limited by guarantee and incorporated on 14 May 1990 in England and Wales. Company number 02501792, charity number 1006811 – registered 13 December 1991. The objects of the charity are:

- To promote firstly the conservation protection and improvement of the physical and natural environment.
- To provide facilities in the interests of social welfare for recreation and leisure.
- To advance public education in environmental matters and of better ways of better conserving protecting and improving the same.

A summary of the results are shown below:

	Year ended 31 March 2021 £	Year ended 31 March 2020 £
Summary Income and Expenditure Account:		
Total income	287,267	255,268
Total expenditure	<u>(244,892)</u>	<u>(331,230)</u>
Surplus/(Deficit) for the financial year	<u>42,375</u>	<u>(75,962)</u>
 Summary Balance Sheet:		
Total assets	478,251	275,934
Total liabilities	<u>(243,481)</u>	<u>(83,538)</u>
Net assets	<u>234,770</u>	<u>192,396</u>
Restricted funds carried forward	151,457	159,356
Unrestricted funds carried forward	<u>83,313</u>	<u>33,040</u>
	<u>234,770</u>	<u>192,396</u>

12 Debtors

	2021	2020
<u>Group</u>	£	£
Trade debtors	237,052	170,207
Prepayments and Accrued Income	34,175	114,729
Other debtors	2,847	-
	<u>274,074</u>	<u>284,936</u>
<u>Charity</u>		
Trade debtors	193,404	160,581
Amounts due from group entities	217,269	55,723
Prepayments and Accrued Income	25,663	97,218
	<u>436,336</u>	<u>313,522</u>

13 Creditors

	2021	2020
<u>Group</u>	£	£
Trade Creditors	27,136	40,197
Accruals & Deferred Income	268,905	222,822
VAT	20,001	9,387
Other creditors	917	-
	<u>316,959</u>	<u>272,406</u>
<u>Charity</u>		
Trade Creditors	24,741	32,561
Accruals & Deferred Income	246,081	202,719
VAT	18,989	9,387
Other creditors	917	-
	<u>290,728</u>	<u>244,667</u>

14 Deferred income

Contained in the accruals and deferred balance above is deferred income in relation to performance related grants and contracts which relates to the 2021/22 financial year.

Group

	Balance at 1 April 2020 £	Transferred from deferred income £	Balance at 31 March 2021 £
Programmes	88,094	37,782	125,876

Deferred income related to income received for programmes with delivery in the next year.

Charity

	Balance at 1 April 2020 £	Transferred from deferred income £	Balance at 31 March 2021 £
Programmes	88,094	37,782	125,876

Deferred income related to income received for programmes with delivery in the next year.

15 Operating leases

<u>Group</u>	Land & Buildings		Other	
	2021 £	2020 £	2021 £	2020 £
Due in 1 year	-	-	1,656	1,656
Due in 2-5 years	-	-	694	2,350
	<u>-</u>	<u>-</u>	<u>2,350</u>	<u>4,006</u>
	<u>-</u>	<u>-</u>	<u>2,350</u>	<u>4,006</u>
 <u>Charity</u>			 Other	
			2021	2020
			£	£
Due in 1 year			1,656	1,656
Due in 2-5 years			694	2,350
			<u>2,350</u>	<u>4,006</u>
			<u>2,350</u>	<u>4,006</u>

16 Analysis of net assets at 31 March 2021

<u>Group</u>	Unrestricted funds £	Restricted funds £	Total £
Intangible & Tangible fixed assets	20,254	150,881	171,135
Net current assets	574,891	23,298	598,189
	<u>595,145</u>	<u>174,179</u>	<u>769,324</u>
 <u>Charity</u>			
Tangible fixed assets	11,310	-	11,310
Net current assets	500,841	22,521	523,362
	<u>512,151</u>	<u>22,521</u>	<u>534,672</u>
 <u>Previous year</u>			
<u>Group</u>	Unrestricted funds £	Restricted funds £	Total £
Intangible & Tangible fixed assets	29,162	159,357	188,519
Net current assets	420,667	57,336	478,003
	<u>449,829</u>	<u>216,693</u>	<u>666,522</u>
 <u>Charity</u>			
Tangible fixed assets	17,121	-	17,121
Net current assets	399,789	57,336	457,125
	<u>416,910</u>	<u>57,336</u>	<u>474,246</u>

17 Statement of funds

Unrestricted funds

<u>Group</u>	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
General funds	419,829	538,210	(466,682)	18,367	509,724
Designated funds	30,000	-	-	55,421	85,421
At 31 March 2021	449,829	538,210	(466,682)	73,788	595,145

Charity

General funds	416,910	438,159	(416,706)	53,367	491,730
Designated funds	-	-	-	20,421	20,421
At 31 March 2021	416,910	438,159	(416,706)	73,788	512,151

Previous year

<u>Group</u>	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2020 £
General funds	600,034	491,347	(593,482)	(78,070)	419,829
Designated funds	50,000	-	(10,400)	(9,600)	30,000
At 31 March 2020	650,034	491,347	(603,882)	(87,670)	449,829
Charity					
General funds	550,058	264,817	(310,295)	(87,670)	416,910
At 31 March 2020	550,058	264,817	(310,295)	(87,670)	416,910

17 Statement of funds (continued)

The income funds of the company included the following designated funds which have been set aside out of unrestricted funds by the Trustees in respect of providing for future building maintenance.

Designated funds

<u>Group</u>	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Building maintenance costs Cardiff City Council Donation	30,000	-	-	36,000	66,000
Food Sense Wales	-	-	-	8,000	8,000
	-	-	-	11,421	11,421
At 31 March 2021	30,000	-	-	55,421	85,421

The board have agreed to designate £66,000 in respect of providing for future building maintenance costs.

<u>Charity</u>	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Building maintenance costs Cardiff City Council Donation	-	-	-	1,000	1,000
Food Sense Wales	-	-	-	8,000	8,000
	-	-	-	11,421	11,421
At 31 March 2021	-	-	-	20,421	20,421

The board have agreed to designate £1,000 in respect of providing for future building maintenance costs.

Previous year

<u>Group and charity</u>	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2020 £
Building maintenance costs	50,000	-	(10,400)	(9,600)	30,000
At 31 March 2020	50,000	-	(10,400)	(9,600)	30,000

17 Statement of funds (continued)

Restricted funds					
<u>Group</u>	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
ACT (Traineeships)	-	17,243	(16,649)	-	594
Business Resilience Fund	-	41,442	(41,442)	-	-
Circular Economy fund	-	39,905	(39,905)	-	-
Garfield Weston (Capital)	25,463	-	(6,600)	-	18,863
Get Together (FSW)	-	12,500	(1,079)	-	11,421
Grantscape	-	2,000	(1,224)	-	776
Groundwork Wellbeing (WG)	-	892	(892)	-	-
Healthy Rivers	-	61,459	(37,328)	(24,131)	-
Job Retention Scheme	-	212,330	(212,330)	-	-
NatWest Enterprise Officer	228	-	-	-	228
Nurture, Equip, Thrive	17,109	11,494	(25,936)	-	2,667
Postcode Lottery (R2L)	-	4,309	(4,309)	-	-
Regeneration [WG]	-	125,000	(125,000)	-	-
Routes to life	744	23,824	(23,824)	-	744
Tesco Enablers	4,234	42,031	(24,731)	(21,534)	-
Tesco Play	6,683	-	(31)	-	6,652
Ty Mynyddislwyn Environment Centre	133,122	-	(1,875)	-	131,247
Waste Surveys	28,123	-	-	(28,123)	-
Welsh Government – ENRaW	215	229,379	(229,379)	-	215
Windpower Community Fund	772	-	-	-	772
Wood 2 Work	-	3,675	(3,675)	-	-
At 31 March 2021	216,693	827,483	(796,209)	(73,788)	174,179

17 Statement of funds (continued)

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Charity					
ACT (Traineeships)	-	17,243	(16,649)	-	594
Business Resilience Fund	-	41,442	(41,442)	-	-
Get Together (FSW)	-	12,500	(1,079)	-	11,421
Groundwork Wellbeing (WG)	-	892	(892)	-	-
Healthy Rivers	-	61,459	(37,328)	(24,131)	-
Job Retention Scheme	-	144,606	(144,606)	-	-
NatWest Enterprise Officer	228	-	-	-	228
Nurture, Equip, Thrive	17,109	11,494	(25,936)	-	2667
Postcode Lottery (R2L)	-	4,309	(4,309)	-	-
Regeneration [WG]	-	125,000	(125,000)	-	-
Routes to life	744	23,824	(23,824)	-	744
Tesco Enablers	4,234	42,031	(24,731)	(21,534)	-
Tesco Play	6,683	-	(31)	-	6,652
Waste Surveys	28,123	-	-	(28,123)	-
Welsh Government – ENRaW	215	229,379	(229,379)	-	215
Wood 2 Work	-	3,675	(3,675)	-	-
At 31 March 2021	57,336	717,854	(678,881)	(73,788)	22,521

17 Statement of funds (continued)

Restricted funds

ACT Traineeships – funding provided towards providing traineeships.

Business Resilience Fund - Welsh Government – Business Resilience provided funds towards core costs and the purchase of equipment for staff working remotely during Covid 19 lockdown.

Circular Economy Capital Fund 2020-21 - This fund was open to local authorities to help Wales shift towards a circular economy driving further increases in recycling and decarbonisation.

Garfield Weston – grant funding provided for capital expenditure and the funding is being depreciated in line with charity's depreciation policy. Resources expended represents the depreciation charge for the year.

Get Together (FSW) - The fund aims to influence how food is produced and consumed in Wales, ensuring that sustainable food, farming and fisheries are at the heart of a just, connected and prosperous food system.

Grantscape - Pen Bryn Oer Wind Farm provides grant up to £2,000 for projects located within Community Council areas of Rhymney and Tredegar to provide grants to support community groups who offer vital services related activities or towards improvements to community amenities.

Groundwork Wellbeing (WG) Heritage Fund - Funding a broad range of projects that connect people and communities to the national, regional and local heritage of the UK.

Healthy Rivers – funding to support the clean up of rivers. This work is now being carried out by the charity's parent charity Groundwork Wales.

Job Retention Scheme – relates to government funding to support 80% of salary costs of staff furloughed during the COVID 19 pandemic.

NatWest Enterprise Officer - funding to employ a member of staff to offer financial literacy skills to beneficiaries.

Nurture, Equip, Thrive - This is a European funded programme which supports people to undertake health and wellbeing activity when they are off work sick, and also helps organisations to help their workforces to stay healthy and fit at work, preventing illness and supporting wellbeing.

Postcode Lottery (R2L) - The aim of the fund is to support smaller charities and good causes to make a difference to their community for the benefit of people and the planet.

Regeneration [WG] - This core funding continues to support our organisation with a focus on town centre work.

Routes to life – We continue to run our horticultural project; providing placements for a wide range of clients and volunteers.

Tesco Enablers

We continue to operate as a partner to the Tesco Bags of Help programme, which supports community groups to apply for funding raised through the sales of carrier bags.

Tesco Play - Tesco Bags of Help is funded a series of small, localised environmental conservation sessions for families and children. The sessions will be delivered on a range of community green space sites across South Wales.

Ty Mynyddislwyn Environment Centre - This represents funding provided to purchase the property under the capital asset transfer scheme. The property is being depreciated in line with the charity's depreciation policy. Resources expended represents the depreciation charge for the year.

Waste Surveys

We delivered a high volume of waste surveys to organisations across Wales on behalf of the Welsh Government through our partnership with Anthesis

WCVA – Volunteering in Wales

We received funding from WCVA to support volunteering throughout our programmes which enabled us to increase the number of volunteers, the quality of volunteering experience and accreditation of volunteering

Welsh Government – WeCare

Our WeCare programme enables us to provide opportunities for people to participate in Green Teams, Volunteering and Education whilst also achieving accreditation. The programme supports the biodiversity and community ownership of green spaces and we work in partnership with Groundwork North Wales.

Windpower Community Fund – grant funding provided for capital expenditure and the funding is being depreciated in line with charity's depreciation policy. Resources expended represents the depreciation charge for the year on a vehicle.

Wood 2 Work – Through our Wood2Work programme, we provide beneficiaries with positive practical work experiences with a view to moving individuals forward into apprenticeships, further training or employment.

17 Statement of funds (continued)

Restricted funds

Previous year

<u>Group</u>	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2020 £
ACT Traineeships	-	79,555	(107,215)	27,660	-
Ty Mynyddislwyn					
Environment Centre	134,997	-	(1,875)	-	133,122
Engage to change	251	1,863	(2,114)	-	
Garfield Weston (Capital)	32,063	-	(6,600)	-	25,463
Garfield Weston (Revenue)	-	10,000	(10,000)	-	-
Healthy Rivers	-	26,187	(67,752)	41,565	-
NatWest Enterprise Officer	3,551	12,457	(15,780)	-	228
Nurture, Equip, Thrive	-	169,570	(152,461)	-	17,109
Routes to life	-	21,921	(21,177)	-	744
Sundry grants	-	-	(3,987)	3,987	-
Tesco Enablers	-	46,739	(42,505)	-	4,234
Tesco Play	-	13,600	(6,917)	-	6,683
Waste Surveys	-	104,965	(76,842)	-	28,123
WCVA – Volunteering in Wales	-	19,513	(25,004)	5,491	-
Welsh Government – Business Resilience	-	5,091	(5,091)	-	-
Welsh Government – ENRaW	-	327,115	(326,900)	-	215
Welsh Government - ESDG & VVP	-	-	(394)	394	-
Welsh Government – Regeneration Funding	-	125,000	(131,971)	6,971	-
Western Power	-	3,000	(3,000)	-	-
Windpower Community Fund	972	-	(200)	-	772
Wood 2 Work	-	33,781	(35,383)	1,602	-
At 31 March 2020	171,834	1,000,357	(1,043,168)	87,670	216,693

17 Statement of funds (continued)

Restricted funds

Previous year

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2020 £
Charity					
ACT Traineeships	-	79,555	(107,215)	27,660	-
Garfield Weston (Revenue)	-	10,000	(10,000)	-	-
Healthy Rivers	-	26,187	(67,752)	41,565	-
NatWest Enterprise Officer	3,551	12,457	(15,780)	-	228
Nurture, Equip, Thrive	-	169,570	(152,461)	-	17,109
Routes to life	-	21,921	(21,177)	-	744
Sundry grants	-	-	(3,987)	3,987	-
Tesco Enablers	-	46,739	(42,505)	-	4,234
Tesco Play	-	13,600	(6,917)	-	6,683
Waste Surveys	-	104,965	(76,842)	-	28,123
WCVA - Volunteering in Wales	-	19,513	(25,004)	5,491	-
Welsh Government - Business Resilience	-	5,091	(5,091)	-	-
Welsh Government - ENRaW	-	327,115	(326,900)	-	215
Welsh Government - ESDG & VVP	-	-	(394)	394	-
Welsh Government - Regeneration Funding	-	125,000	(131,971)	6,971	-
Western Power	-	3,000	(3,000)	-	-
Wood 2 Work	-	33,781	(35,383)	1,602	-
At 31 March 2020	3,551	998,494	(1,032,379)	87,670	57,336

18. STATUS

Groundwork Wales is a company limited by guarantee, not having a share capital, exempt from the requirement to use the word 'limited' and is a registered charity. The liability of each member under the guarantee is limited to £1.

From 1 February 2015 Groundwork Caerphilly became a subsidiary of Groundwork Wales, that in turn owns 100% of the issued share capital of GC Enterprises (Wales) Limited. G C Enterprises (Wales) Limited has been dormant since 1 January 2018.

19. PENSION SCHEMES – GROUP

The group contributes to employee's own personal pension schemes. The pension cost charge represents contributions paid by the group to the individual schemes and amounted to £36,222 (2020: £38,322) during the year. At the year-end £nil (2020: £nil) was accrued in respect to contributions to the scheme.

PENSION SCHEMES – CHARITY

The Charity contributes to employee's own personal pension schemes. The pension cost charge represents contributions paid by the Charity to the individual schemes and amounted to £32,121 (2020: £33,615) during the year. At the year-end £nil (2020: £nil) was accrued in respect to contributions to the scheme.

20. RELATED PARTY TRANSACTIONS

From 1 February 2015 Groundwork Caerphilly became a subsidiary of Groundwork Wales. Groundwork Caerphilly owns 100% of the issued share capital of its trading subsidiary GC Enterprises (Wales) Limited.

The charity was owed £217,269 (2020: £55,723) by Groundwork Caerphilly at 31 March 2021.

During the year the charity was re-charged £36,321 (2020: £26,875) by Groundwork Caerphilly for expenditure made on its behalf.

During the year the charity donated £35,000 to Groundwork Caerphilly.

During the prior year the charity made related party transactions with the related party Ariege Ltd. The related party nature is due to the charity having a mutual trustee in Jeff Greenidge.

During the year the charity were charged £nil (2020: £7,854) for work performed on the Erasmus project.

No amount was outstanding at the year end.

21 Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net income for the reporting period (as per the SOFA)	102,802	(155,346)
Adjusted for:		
Dividends, interest and rents from investments	(5)	(7)
Depreciation & amortisation charges	22,182	22,049
Proceeds from the disposal of fixed assets	-	(1,100)
(Increase)/decrease in stocks	(960)	(351)
(Increase)/decrease in debtors	10,862	13,899
Increase/(decrease) in creditors	44,553	66,098
Net cash provided by operating activities	<u>179,434</u>	<u>(54,758)</u>
 Analysis of cash and cash equivalents		
	2021 £	2020 £
Cash in hand	632,357	457,716
	<u>632,357</u>	<u>457,716</u>

Advisors

Auditors

Azets Audit Services
Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

Bankers

Barclays Bank Plc
South Wales Corporate Banking Team
PO Box 674
121 Queen Street
Cardiff
CF10 2XU

The Board of Trustees

The trustees (who are the directors of the company in accordance with the Companies Act 2006) on the date of approval of this report, or who served as trustees at any time during the year reported on, are as follows.

Appointed trustees	First appointed	Last appointed	Retired/resigned
Mr B Matthew	11 March 2016		
Mrs N Rees	11 March 2016		
Mr J D Greenidge	9 February 2018		
Mr D Havard	28 February 2018		
Ms K Heenan-Davies	5 December 2018		
Mr P Fiander	10 December 2018		
Ms L Barry	27 August 2020		
Mr P Robinson	10 September 2020		

Chairman

Mr J D Greenidge

Company Secretary

Ms K Stevenson

Chief Executive

Ms K Stevenson

