



**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](http://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 <sup>th</sup> September 2024
Mr J D Greenidge	9 February 2018		23 <sup>rd</sup> May 2024
Mr D Havard	28 February 2018		27 <sup>th</sup> May 2022
Ms K Heenan-Davies	5 December 2018		11 <sup>th</sup> November 2022
Mr P Fiander	10 December 2018		
Mr P Robinson	10 September 2020		5 <sup>th</sup> 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
- WCVLA 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](http://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 £
<b>Income and Endowments from:</b>				
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>
<b>Expenditure on:</b>				
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		<u>19,001</u>	<u>(19,001)</u>	<u>-</u>
Net movement in funds		(52,700)	(16,006)	(68,706)
<b>Reconciliation of funds</b>				
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 £
<b>Income and Endowments from:</b>				
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>
<b>Expenditure on:</b>				
Charitable activities	5	(965,051)	(319,549)	(1,284,600)
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>	<u>-</u>
Net movement in funds		155,192	(60,651)	94,541
<b>Reconciliation of funds</b>				
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.

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

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

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

## Groundwork Wales

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

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

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 £
<b>Cash flows from operating activities</b>			
Net cash (expenditure)/income		(68,706)	94,541
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		26,257	28,871
Amortisation		<u>1,281</u>	<u>1,397</u>
		(41,168)	124,809
<b>Working capital adjustments</b>			
(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>
<b>Cash flows from investing activities</b>			
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
	16,567	16,567	6,702

#### 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
	852,860	323,711	1,176,571

## 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
	<u>1,085,159</u>	<u>286,993</u>	<u>1,372,152</u>

#### 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
	<u>1,048,858</u>	<u>212,986</u>	<u>1,261,844</u>	<u>1,284,600</u>

## 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 £
<b>Staff costs during the year were:</b>		
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 No	2023 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 £
<b>Cost</b>		
At 1 April 2023	6,988	6,988
Disposals	(6,988)	(6,988)
At 31 March 2024	-	-
<b>Amortisation</b>		
At 1 April 2023	5,707	5,707
Charge for the year	1,281	1,281
Eliminated on disposals	(6,988)	(6,988)
At 31 March 2024	-	-
<b>Net book value</b>		
At 31 March 2024	-	-
At 31 March 2023	1,281	1,281

#### 11 Tangible fixed assets

Group	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 April 2023	150,000	8,734	114,926	273,660
Disposals	-	-	(11,400)	(11,400)
At 31 March 2024	150,000	8,734	103,526	262,260
<b>Depreciation</b>				
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	24,375	8,440	46,065	78,880
<b>Net book value</b>				
At 31 March 2024	125,625	294	57,461	183,380
At 31 March 2023	127,500	1,881	80,256	209,637

## Groundwork Wales

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

#### Charity

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
<b>Cost</b>				
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>
<b>Depreciation</b>				
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>
<b>Net book value</b>				
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

	<b>Group</b>	<b>Charity</b>
	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Stocks	<u>10,521</u>	<u>9,032</u>
		<u>56</u>

#### 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	-
	<u>184,619</u>	<u>252,307</u>	<u>212,981</u>	<u>537,418</u>

## 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 £
<b>Unrestricted funds</b>					
<i><b>General</b></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><b>Designated</b></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>
<b>Total unrestricted funds</b>	<u>876,338</u>	<u>918,253</u>	<u>(989,954)</u>	<u>19,001</u>	<u>823,638</u>
<b>Restricted funds</b>					
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
<b>Total restricted funds</b>	<u>184,211</u>	<u>323,711</u>	<u>(320,716)</u>	<u>(19,001)</u>	<u>168,205</u>
<b>Total funds</b>	<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 £
<b>Unrestricted funds</b>					
<i>General</i>					
General funds	546,475	805,955	(688,036)	(47,145)	617,249
General funds - Groundwork Caerphilly	<u>33,408</u>	<u>360,926</u>	<u>(293,579)</u>	<u>(30,000)</u>	<u>70,755</u>
	<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>
<b>Total unrestricted funds</b>	<u>721,147</u>	<u>1,166,881</u>	<u>(1,041,785)</u>	<u>30,095</u>	<u>876,338</u>
<b>Restricted funds</b>					
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)	-	-
<b>Total restricted funds</b>	<u>244,862</u>	<u>288,993</u>	<u>(319,549)</u>	<u>(30,095)</u>	<u>184,211</u>
<b>Total funds</b>	<u><u>966,009</u></u>	<u><u>1,455,874</u></u>	<u><u>(1,361,334)</u></u>	<u><u>-</u></u>	<u><u>1,060,549</u></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 £
<b>Unrestricted funds</b>					
<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>
<b>Total unrestricted funds</b>	<u>735,879</u>	<u>559,180</u>	<u>(669,923)</u>	<u>19,001</u>	<u>644,137</u>
<b>Restricted funds</b>					
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>
<b>Total restricted funds</b>	<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 £
<b>Total funds</b>	<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 £
<b>Unrestricted funds</b>					
<i>General</i>					
General funds	546,474	805,955	(688,036)	(47,145)	617,248
<i>Designated</i>					
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
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>
<b>Total unrestricted funds</b>	<u>604,938</u>	<u>805,955</u>	<u>(705,109)</u>	<u>30,095</u>	<u>735,879</u>
<b>Restricted funds</b>					
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
<b>Total restricted funds</b>	<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 £
<b>Total funds</b>	<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 Rhymney 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	699,815	123,822	168,206	991,843

	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	688,004	188,334	184,211	1,060,549

##### 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	566,500	77,637	14,125	658,262

	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	617,248	118,631	14,125	750,004

## 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