

GROUNDWORK LONDON

England & Wales · Charity number 1121105

Details

Status Registered

Legal form Charitable company

Company number [04212532](#)

Registered 2007-10-09

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

Contact

Address Groundwork
18-21 Morley Street
London
SE1 7QZ

Phone 02079221230

Email london@groundwork.org.uk

Website <http://www.groundwork.org.uk/sites/london>

Activities

Objects: 2.1) TO PROMOTE THE CONSERVATION, PROTECTION AND IMPROVEMENT OF THE PHYSICAL AND NATURAL ENVIRONMENT IN LONDON (THE AREA).2.2) 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 THE AREA.2.3) TO ADVANCE PUBLIC EDUCATION IN ENVIRONMENTAL MATTERS AND OF THE WAYS OF BETTER CONSERVING, PROTECTING AND IMPROVING THE SAME WHERESOEVER.2.4) TO PROMOTE FOR THE PUBLIC BENEFIT, URBAN OR RURAL REGENERATION IN AREAS OF SOCIAL AND ECONOMIC DEPRIVATION WITHIN THE AREA BY ALL OR ANY OF THE FOLLOWING MEANS:2.4.1) THE RELIEF OF POVERTY IN SUCH WAYS AS MAY BE THOUGHT FIT;2.4.2) THE RELIEF OF UNEMPLOYMENT IN SUCH WAYS AS MAY BE THOUGHT FIT INCLUDING ASSISTANCE TO FIND EMPLOYMENT;2.4.3) THE ADVANCEMENT OF EDUCATION, TRAINING OR RE-TRAINING PARTICULARLY AMONGST UNEMPLOYED PEOPLE AND PROVIDING UNEMPLOYED PEOPLE WITH WORK EXPERIENCE;2.4.4) THE PROVISION OF FINANCIAL ASSISTANCE, TECHNICAL ASSISTANCE, BUSINESS ADVICE OR CONSULTANCY IN ORDER TO PROVIDE TRAINING AND EMPLOYMENT OPPORTUNITIES FOR UNEMPLOYED PEOPLE IN CASES OF FINANCIAL OR OTHER CHARITABLE NEED THROUGH HELP:I) IN SETTING UP THEIR OWN BUSINESSES; ORII) TO EXISTING BUSINESSES;2.4.5) THE CREATION OF TRAINING AND EMPLOYMENT OPPORTUNITIES BY THE PROVISION OF WORK SPACE, BUILDINGS AND/OR LAND FOR USE ON FAVOURABLE TERMS;2.4.6) THE PROVISION OF HOUSING FOR THOSE WHO ARE IN CONDITIONS OF NEED AND THE IMPROVEMENT OF HOUSING IN THE PUBLIC SECTOR OR IN CHARITABLE OWNERSHIP PROVIDED THAT SUCH POWER SHALL NOT EXTEND TO RELIEVING ANY LOCAL AUTHORITIES OR OTHER BODIES OF A STATUTORY DUTY TO PROVIDE OR IMPROVE HOUSING;2.4.7) THE MAINTENANCE, IMPROVEMENT OR PROVISION OF PUBLIC AMENITIES, INCLUDING THE PROVISION OF ROUTEWAYS SUCH AS FOOTPATHS AND CYCLEWAYS AND ACCESS TO MAIN TRANSPORT ROUTES;2.4.8) THE PRESERVATION OF BUILDINGS OR SITES OF HISTORIC OR ARCHITECTURAL IMPORTANCE;2.4.9) THE PROVISION OR ASSISTANCE IN THE PROVISION OF RECREATIONAL FACILITIES FOR THE PUBLIC AT LARGE AND/OR THOSE WHO BE REASON OF THEIR YOUTH, AGE, INFIRMITY OR DISABLEMENT, POVERTY OR SOCIAL AND ECONOMIC CIRCUMSTANCES, HAVE NEED OF SUCH FACILITIES;2.4.10) THE PROTECTION OR CONSERVATION OF THE ENVIRONMENT, INCLUDING THE RECLAMATION OF DERELICT LAND FOR USE AS OPEN SPACE;2.4.11) THE PROVISION OF PUBLIC HEALTH FACILITIES AND CHILDCARE, INCLUDING THE PROVISION OF SCHEMES TO PROMOTE HEALTHIER LIFESTYLES AND CRECHE FACILITIES TO INCREASE THE ABILITY OF PARENTS TO TAKE UP EMPLOYMENT;2.4.12) THE PROMOTION OF PUBLIC SAFETY AND PREVENTION OF CRIME, INCLUDING THE ALLEVIATION OF ANTI-SOCIAL BEHAVIOUR;2.4.13) SUCH OTHER MEANS AS MAY FROM TIME TO TIME BE DETERMINED SUBJECT TO THE PRIOR WRITTEN CONSENT OF THE CHARITY COMMISSIONERS FOR ENGLAND AND WALES.2.5) TO PROMOTE SUSTAINABLE DEVELOPMENT FOR THE BENEFIT OF THE PUBLIC WITHIN THE AREA BY:A) THE PRESERVATION, CONSERVATION AND THE PROTECTION OF THE ENVIRONMENT AND THE PRUDENT USE OF RESOURCES;B) THE RELIEF OF POVERTY AND THE IMPROVEMENT OF THE CONDITIONS OF LIFE IN SOCIALLY AND DISADVANTAGED COMMUNITIES;C) THE PROMOTION OF SUSTAINABLE MEANS OF ACHIEVING ECONOMIC GROWTH AND REGENERATION.2.6) TO ADVANCE THE EDUCATION OF THE PUBLIC IN SUBJECTS RELATING TO SUSTAINABLE DEVELOPMENT AND THE PROTECTION, ENHANCEMENT AND REHABILITATION OF THE ENVIRONMENT AND TO PROMOTE STUDY AND RESEARCH IN SUCH SUBJECTS PROVIDED THAT THE USEFUL RESULTS OF SUCH STUDY ARE DISSEMINATED TO THE PUBLIC AT LARGE.SUSTAINABLE DEVELOPMENT IN THIS ARTICLE AND IN ARTICLE 3.5 ABOVE MEANS "DEVELOPMENT WHICH MEETS THE NEEDS OF THE PRESENT WITHOUT COMPROMISING THE ABILITY OF FUTURE GENERATIONS TO MEET THEIR OWN NEEDS".2.7) TO PROMOTE THE EFFICIENCY AND EFFECTIVENESS OF CHARITIES IN THE

DIRECT FURTHERANCE OF THEIR OBJECTS (OR ANY ONE OF THEM) BY THE PROVISION OF INFORMATION, ADVICE AND ASSISTANCE IN THE ESTABLISHMENT, ADMINISTRATION AND MANAGEMENT OF SUCH CHARITIES INCLUDING ASSISTANCE OF ALL TYPES IN CONNECTION WITH THE RAISING AND DISTRIBUTION OF FUNDS.2.8 TO PROMOTE THE EFFICIENCY AND EFFECTIVENESS OF THE VOLUNTARY SECTOR FOR THE BENEFIT OF THE PUBLIC BY THE PROVISION OF INFORMATION, SUPPORT AND ADVICE TO LOCAL COMMUNITY BASED GROUPS ANYWHERE IN THE AREA.

Activities: To promote the conservation, protection and improvement of the physical and natural environment;to provide facilities in the interest of social welfare for recreation and lesiure time occupation ; advance public education in environmental matters and to help people conserve, protect and improve their environment.

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, The Prevention Or Relief Of Poverty, 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, The General Public/mankind

Geography

- **Area of benefit:** GREATER LONDON
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£27,857,543	£28,186,121	£11,579,142	395
2024-03-31	£32,416,121	£32,351,866	£12,012,176	492
2023-03-31	£33,160,004	£32,922,399	£11,815,230	472
2022-03-31	£28,172,908	£27,775,176	£11,852,192	409
2021-03-31	£20,960,849	£20,871,321	£11,168,238	371

Trustees

Name	Role	Appointed
ALAN SMITH	Chair	2012-08-13
ALEXANDRA BEER		2023-11-27
GRAHAM BEAL		2014-03-10
Keith Taylor		2017-03-20
Simon James Herbert		2025-06-23
Thomas Alan Leake		2020-09-28
Tony Beaman		2024-02-26
Wen-Yu Weng		2024-02-26

Accounts

Annual Report and Financial Statements 2024/25

Groundwork London

(A company limited by guarantee)

18 – 21 Morley Street

London

SE1 7QZ

Registered Charity No. 1121105

Registered Company No. 04212532 (England and Wales)

Contents

	Page
Report of the Trustees	3
Chair's Report	4
About Groundwork	5
Objectives and Activities	6
Public Benefit Statement	6
Strategic Report	7
Achievements and Performance	8
Financial Review	15
Reserves Policy	15
Investment Policy	15
Section 172 Statement	16
Future Plans 2025/26	17
Principal Risks and Uncertainties	21
Financial Instruments	22
Energy and Carbon statement	22
Employees	22
Reference and Administrative Details	23
Structure, Governance and Management	24
Statement of Trustees' Responsibilities	27
Independent Auditors' Report	28
Consolidated Statement of Financial Activities	32
Charity Statement of Financial Activities	33
Consolidated Balance Sheet	34
Charity Balance Sheet	35
Consolidated Cash Flow Statement	36
Charity Cash Flow Statement	37
Notes to the Financial Statements	38-58

Report of the Trustees for the year ending 31 March 2025

The trustees are pleased to present their annual directors' report together with the consolidated financial statements of the charitable company and its subsidiaries for the year ending 31 March 2025 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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).

Groundwork London's operational focus is primarily on London; the City of London and the 32 London Boroughs. Groundwork London is also the sole company member of Groundwork South whose operational focus is on the South East and South West regions of England, and that part of the District of Three Rivers within the Colne Valley Regional Park. Where specialist services are required, these are delivered across both Trust areas by specialist teams.

Both Trusts have a Board of Trustees who are principally responsible for the strategic oversight and governance of Groundwork activities within their operational areas. Each Trust has its own business plan defining the activities it plans to deliver in its area of operation. Each Trust will produce an Annual Report and Financial Statements. This report includes the consolidated financial statements of Groundwork London and its subsidiaries, details of charitable activities within the two operation areas will be described separately within each company's annual report.

Chair's Report

Groundwork London works with communities across the capital to transform their lives and the places they live. At a time when London faces significant social, economic and environmental challenges our work has never been more necessary,

Over 2.5 million Londoners are living in poverty, many struggling with inequality, poor health and wellbeing, food and fuel poverty, and the escalating effects of changing climate. Our work supports these diverse and vulnerable communities to find practical, long-term solutions to many such challenges.

Despite the challenges of delivering services in the current economic climate, we completed over 500 projects to a value of £26.03m.

We did not do this on our own. The strength of our approach lies in the relationships we build and maintain with our funders and partners across the public, private, and voluntary sector, and within the communities themselves.

We offer our sincere thanks and appreciation to our staff, trustees, partners, and volunteers for all the hard work and passion they continually give to everything they do. It reminds us that we all share a vision for the future: where every Londoner can thrive and benefit from a greener, safer, healthier, and more equitable city.

We are pleased to present our 2024/25 Annual Report, demonstrating the difference we've made to the lives of thousands of Londoners.

As a member of the Groundwork Federation, we are proud to support our neighbouring Trust Groundwork South as our wholly owned subsidiary. Groundwork South has changed significantly in the last three years to ensure efficient and effective delivery of high-quality services across the South East and South West of England and will present its own Annual Accounts.

Whilst we take this time to reflect on our successes to date, it's important to also look towards the future. We know that the social, economic and environmental impacts have been immense and will be felt for many years to come, and that the poorest of our communities will be the most greatly affected.

We will continue to create and deliver services to meet the changing needs of London and its most in need communities, by working to three key strategic objectives:

- **Improving people's prospects** - delivering support to increase the confidence, skills, well-being, and employability of young people and adults.
- **Creating better places** - supporting communities to work together in making their neighbourhoods safer, healthier, greener, and more resilient to climate change; and enabling their active involvement in the decision-making concerning the services in their area.
- **Promoting greener living and working** - helping people, organisations, and businesses to learn more about their environmental impact and how they can behave more sustainably; addressing food and fuel poverty; and improving health and wellbeing.

We thank you all and look forward to working with you.



Alan Smith
Chairman

About Groundwork

Vision

Our vision is of a society of sustainable communities which are vibrant, healthy and safe, which respect the local and global environment and where individuals and enterprise prosper.

Mission

Creating a better future where people, places and the environment thrive through practical action.

Our core values:

- **Equality and Diversity** - valuing differences, addressing individual needs and barriers and ensuring inclusion accessibility and equity
- **Innovation and Learning** - continuously seeking creative, new and better ways of working
- **Co-production and Collaboration** - making decisions together with communities and ensuring their voices define and transform the issues that affect them
- **Integrity and Professionalism** - maintaining high personal and professional standards
- **Partnership** - collaborating with communities, public bodies, educational institutions, private companies and voluntary organisations to maximise benefits to people, places and businesses
- **Sustainability** - preserving resources, protecting ecosystems, reducing waste and building community resilience

Our Approach

- **We support those in most need** - we provide targeted and inclusive support tailored to address the specific needs of vulnerable, excluded or diverse communities and tackle material hardship and poverty by building skills and capacity
- **We work with others** - we collaborate with individuals, communities, Local Authorities, the Mayor of London and other public sector organisations, regional bodies, the private sector and the voluntary/charitable sector to bring about positive and lasting change in London
- **We join things up** - we bring our skills and expertise and forge strong partnerships that enable us to deliver maximum impact for communities and maximum value for money for those who help us do it
- **We embed equity and inclusion in everything we do** – seeking out a diversity of viewpoints, both in the work we do and the people we employ
- **We collaborate and innovate** - we pilot and test new solutions and approaches and embed successful practice in our future work and share our learning with others
- **We act as environmental champions** – delivering practical action to combat climate and nature emergencies and measuring and reducing our own environmental impact
- **We measure our impact** – we focus the time and resources, as well as work with others, to really understand the impact of our work and the social value we are achieving
- **We operate within the Federation of Groundwork Trusts** - sharing learning and identifying local opportunities to national programmes, as well as collectively mobilising practical community action to accumulate impact on poverty and environmental issues right across the UK

Objectives and Activities

Charitable Objectives

Groundwork London's charitable objectives are set down in its Articles of Association, they include:

- to advance public education in environmental matters and other ways of better conserving, protecting and improving the same wheresoever;
- to advance the education of the public in subjects relating to sustainable development and the protection, enhancement and rehabilitation of the environment and promote study and research in such subjects;
- to promote the efficiency and effectiveness of charities in the direct furtherance of their objects; And within the area defined as London, the South East and South West regions of England, and that part of the District of Three Rivers within the Colne Valley Regional Park;
- to promote the conservation, protection and improvement of the physical and natural environment
- to provide facilities in the interest of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for those living or working in or resorting to the area;
- to promote for the public benefit urban and rural regeneration in areas of social and economic deprivation;
- to promote sustainable development for the benefit of the public;
- to promote the efficiency and effectiveness of the voluntary sector for the benefit of the public by the provision of information, support and advice to local community-based groups.

Strategic Objectives

To deliver our charitable objectives we:

- Create and deliver programmes and projects to meet the needs of local communities:
 - Improving people's prospects
 - Promoting greener living and working
 - Creating better places
- Build productive relationships and partnerships, influence and shape policies and share learning
- Maintain a strong, viable business, achieving excellence in service delivery

Public Benefit Statement

All Groundwork London's activities contribute to the achievement of our strategic aims & objectives and are undertaken to further our charitable purposes for the public benefit. Our main activities and who we try to help are described below. We review our aims, objectives and activities each year in the Business Planning process. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are established to help. The review also helps us ensure our aim, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Grant Making Policy

The Trust administers applications for various grants schemes on behalf of partnerships with local authorities and other Public Agencies. The Applications are reviewed against specific criteria and business objectives, which are set out by the grants panels and awarded to constituted groups.

Strategic Report

Working with Groundwork South

Groundwork London is a member of the Groundwork Federation, together we are working locally and nationally to transform lives in the UK's most disadvantaged communities. In 2017 Groundwork London agreed to provide financial support and to become the sole company member of Groundwork South, to enable the Groundwork South Trust to continue to deliver Groundwork services in areas of need.

Groundwork South continues to operate with its own identity, its own geographical focus and with its own Board of trustees as an independent charity and company limited by guarantee. We are proud to support the Trust which has undergone significant change to ensure the effectiveness and efficiency in its operations whilst continuing to deliver high quality services across the South East and South West of England.

In future years, Groundwork South will continue to operate as an independent Trust and will benefit from both Trusts working together through executive, finance and support services functions. Groundwork South, does not currently deliver all 'Groundwork services' across its area, in future, highly specialised services will be provided with leadership from Groundwork London whilst delivery will continue to be embedded in local areas; and delivered by the Groundwork South team.

Groundwork South has produced its own annual accounts for 2024/25. Their annual report and accounts demonstrate the considerable contribution the Trust is making to Changing Places and Changing lives in the South East and South West of England.

Financial Review

Groundwork London has determined to voluntarily provide a Statement of Financial Activity for 2024/25, as well as the required consolidated accounts for Groundwork London and Groundwork South (as its wholly owned subsidiary) for the same period.

The consolidated statement of financial activities for Groundwork London and for Groundwork South for the year ended 31st March 2025 shows a total income of £27.857m. The consolidated balance sheet shows total Funds of £11.579m of which £3.595m is designated and restricted reserves.

Groundwork London's subsidiary, Groundwork South, has a surplus at 31 March 2025 of £47,731. Groundwork South made financial losses in the years in and prior to 2018/19. Following a restructure of governance and management in 2018, GWS is now operating at a surplus with £41,684 confirmed in the statutory accounts for the year ending 2023/24 and previously £79,537 in 2019/20, £8,952 in 2020/21, £191,906 in 2021/22 and £211,273 in 2022/23. This has achieved a balance sheet surplus of £16,909 at 31st March 2025.

GWS is committed to retaining surpluses until GWS has 180 days of unrestricted reserves which we estimate will take 2 years. As explained in the Trustee Report, by virtue of the loans from GWL, GWS continues to operate as a going concern.

The remainder of this Strategic report focuses on Groundwork London.

Related Party Transactions

The Trust is supported by Groundwork UK and the national Federation of Groundwork Trusts and has strong links and collaborative working arrangements with other Trusts within the Federation. Each Trust is an independent charity, but they all share a similar ethos. Each Trust is responsible for its own management and administration, and for developing and delivering projects, that meet its objectives and core purposes.

The SORP determines that a charity is not necessarily related to another charity simply because a particular person happens to be a trustee of both. It will only be related if one charity subordinates its interests to the other charity in any transaction because of this relationship. The Federation of Groundwork Trusts and other Groundwork Trusts are therefore not considered to be related parties under the definition of the SORP and the grants made by the Federation to individual Trusts do not require separate disclosure.

Strategic Report

Groundwork London's principal focus is on delivering activity to meet the needs of London and Londoners.

Achievements and Performance

As London's population approaches 9 million, with an estimated 2.3 million people living in poverty, and with the city facing an evolving and increasingly complex set of challenges, our work is more critical than ever.

Over the past year, our staff teams have worked tirelessly to deliver much-needed services to communities most in need. We delivered more than 600 projects, focusing on the most disadvantaged and hardest-hit communities, while continually adapting our ways of working in response to political, social, economic, and growing environmental challenges.

Our work was delivered in partnership with local authorities, housing associations, London regional agencies, the private sector, and other voluntary organisations. We have progressed positive working relationships within the London Boroughs of Haringey, Camden, Croydon, Barnet, Brent, Islington, Hammersmith & Fulham, Ealing, Hounslow, Wandsworth, Lambeth, Southwark, Lewisham, Newham, Hackney, Waltham Forest, Enfield, the Royal Boroughs of Kensington & Chelsea, Kingston-Upon-Thames and Greenwich, and the City of Westminster and London.

We continued to build on productive relationships with regional bodies, and in particular the Greater London Authority (GLA), delivering 46 programmes involving regional support and delivery agencies. As part of our strategic work, we continued to serve on the Cross River Partnership Board, the All-London Green Grid Steering Group, deliver the Greenspace Skills Hub on behalf of the Mayor's academy programme and our Community Interest Company – *Our ParkLife* with Equans, Renaisi and Idverde.

We delivered 25 projects involving Housing Association partners, reflecting the needs of their residents and neighbourhoods. We developed new and strengthened existing relationships with corporate partners, through employee volunteering engaging with 77 organisations.

In 2024, we agreed on our new Groundwork London 2030 strategy through Trust-wide engagement, seeking the input, views, and ideas from Trustees and our colleagues across the organisation. The strategy development took place over 3 months, starting with 'spotlight' sessions led by colleagues to showcase their work and explore ideas for future working; external input looking at the national framework in which we operate and the context of London; and Trust wide sessions focused on what we deliver, exploring what is needed by London and Londoners and the role Groundwork London should play over the next 5 years. Our 2030 strategy underpins our annual Business Planning and is reflected in the future plans section of this report.

As part of this process, we held a staff team event, *Building Our Workplace Together*, providing colleagues with an opportunity to share their thoughts, ideas, and hopes for improving everyone's experience at work. These facilitated sessions covered a range of topics: learning and growing together; supporting health and wellbeing; improving communication; our team and our culture; providing an effective workspace for all; empowering our work with technology; and building a greener future together. Underpinning every discussion was the question of how we could improve in the context of equity, diversity, and inclusion.

A wide range of actions have since been taken forward under the oversight of the Trust's Senior Leadership Team. Highlights include: a monthly internal newsletter led by staff contributions; monthly office meetings in our main offices; informal get-togethers to connect and learn about each other and the organisation, including the annual picnic and BBQ; and the promotion of activity groups such as running and yoga. Our staff induction continues to evolve, and our annual training programme covers a broad array of core subjects, including line management, project management, and safeguarding, with EDI embedded throughout, as well as dedicated sessions on anti-harassment and equal opportunities.

Our cross-team Environment Group continues to support delivery of our Environmental Management System (and ISO14001 accreditation objectives) and to monitor and report on carbon emissions. We have created and published a carbon reduction plan, setting out our commitment to reduce emissions by 50% by 2035 on a pathway to achieving net zero by 2050.

We delivered several other business performance and improvement measures: retaining environmental management standard ISO14001, which we have held since 2008; maintaining our Health & Safety standard CHAS; and Achilles which covers quality, health and safety, environmental sustainability/CSR and carbon management. We also maintained our accreditation as 'Disability Confident' in our recruitment practises and we retained our Matrix accreditation in recognition of the advice and guidance we offer our trainees and volunteers.

In support of our staff team, we continue to provide a Health Cash plan, which enables staff to reclaim costs against certain essential health services. We have maintained our wellbeing notice board featuring resources such as the Groundwork Employee Assistant Programme with helplines, counselling, online resources, and staff have contributed articles and photos about their work and interests to our regular staff newsletter. We have in place a Mental Health First Aid network to support both our staff and volunteers. We have also continued to offer mental health awareness training to many senior managers and other staff across the Trust.

We have delivered an incredible range of work during the year, our achievements, described below, are a result of the exceptional time and effort of our colleagues across the Trust being innovative and determined to continue to support individuals and communities in need.

Improving people's prospects – *delivering support to increase the confidence, skills, well-being, and employability of those furthest removed from the labour market, in particular, young people.*

We believe that supporting people into long-term, sustainable work brings them the economic and social stability that can be life changing and is a key factor contributing to strong and thriving communities. This is why we deliver employment and skills programmes in London. Through these programmes, we help hundreds of Londoners every year to grow in confidence, gain new skills, and take that step into work. We work with young people, people with disabilities or health conditions, refugees, and many other Londoners who are facing barriers to employment. In 2024/25 we supported over 1,260 people with employment information, guidance and advice and 480 into jobs with over 60% sustained for at least 6 months into jobs.

In partnership with our private and public sector employers, we deliver **training and pre-employment programmes** designed to increase the confidence, skills, and overall employability of Londoners facing the greatest barriers to employment.

Through 2024/25 we continued to deliver our **DWP Restart** contract in Hounslow supporting people who had been out of work for at least six months, and this was extended for another two years. 350 people were supported during the year, of whom 40% found work. We commenced rebuilding our Employability programme that had suffered through the cessation of EU funding at the end of 2023, securing new contracts to support **older workers in Westminster** and **Ukrainian refugees in Southwark**.

We have expanded our green skills offer into a family of projects supporting London's grounds maintenance and horticulture industry to recruit and diversify, helping more unemployed Londoners to find their first job in the sector. Our **Green Space Skills Hub** entered its fourth year, and with our partner Capel Manor College, almost 1,550 Londoners were trained, of which 542 secured work. For those unemployed people who lacked entry level skills for the sector we have delivered Level 1 and 2 Vocational Horticultural courses. For those needing most support, we offered training and six months of work experience on our green teams. Our Green Teams delivered landscaping schemes in six London Boroughs and grounds maintenance contracts for clients including City of London, Grosvenor and Bedford Estates.

In addition to the jobs offered on our Green Teams, we continued to offer waged training places in **Westminster Wheels** and 80% of those secured long term work on completion. Westminster Wheels has thrived, greatly valued by the Church Street community and traders where it has given a second life to over 2000 unwanted bikes and serviced the bikes of 5000 Londoners.

Those jobs we created on the **Green Teams** and in Westminster Wheels were only possible with the considerable funding we continued to receive from Grosvenor Estate's Greener Futures programme. During the year, with their support we piloted *Routes Into Retrofit* which will bring those same opportunities for unemployed Londoners seeking work in building renovation and energy improvements.

During 2024–25, **The Nest, Young People's Mental Health Services, Southwark** strengthened its role as a leading provider of mental health services for young people in Southwark. Services were externally evaluated by *Impact for Urban Health*, which confirmed robust outcomes, far-reaching engagement, and continued responsiveness to community needs. During the year, The Nest under 11-year-service received 79 referrals & accepted 61% (48). For 11–25-year-olds we processed 483 referrals and accepted 48% (232).

Evaluation highlighted that we are supporting almost 1 in 5 of all children and young people mental health referrals in Southwark. Average waiting times were 3 and a half months compared to 12–18 months for NHS specialist service's, with no notable gaps between demographic groups. 95% of young people rated their support positively and nearly two-thirds of those aged 11–25 showed clear improvements in wellbeing.

Our **Strengthening Fathers Programme** supported 140 fathers with experience in the criminal justice system to rebuild family relationships and strengthen emotional connections. Over 160 children and young people were directly involved, and 310 indirectly, through advocacy meetings, activities, mentoring, through conflict resolution and healthy relationships training and workshops including peer to peer support groups and whole family sessions. Our **Strengthening Families Programme** for parents and carers of young people aged 11–24, (primarily from African-Caribbean and mixed communities) was delivered by a therapist and family practitioner, and included workshops, peer support, and one-to-one guidance. Externally evaluated by *Corum* the service received 64 referrals and accepted 88% (56).

Findings showed that 94% of parents/carers reported improved mental health (45% 'to a large extent'), with a marked improvement in life satisfaction (+25%), happiness and worthwhileness (+10%) and reduced anxiety (–25%). Young people involved in the programme received fewer behavioural sanctions at school and attendance increased from an average of 50% to 87%. Parents also reported increased understanding of school policies and greater confidence to advocate for their children.

Our **School Engagement Team** delivered classroom-based interventions to raise awareness of mental health, support Year 6–7 transitions and reduce absenteeism. We engaged with 31 schools (a 31% increase from 2023–24), running 305 sessions and reaching over 9,500 young people, parent/carers and staff.

As part of a national initiative, our **Mental Health Support Team (MHST)** works across Southwark's primary and secondary schools providing early intervention and prevention support for children, young people, their families and staff. The team offers free help for wellbeing concerns such as anxiety, phobias, challenging behaviour, low mood and depression, in schools across Southwark. In 2024–25, we expanded to over 30 schools (16 Primary and 14 Secondary), processed 469 referrals, and accepted 88% (414) for support. Activities reached 21,234 children, young people, parent/carers and staff - an increase of 31% on the previous year.

The **Roots Service** launched in 2024, the Roots service provides therapy (individual, group, systemic family therapy, CBT groups and single-session parent workshops) for children aged 5–17 and their families in Waltham Forest alongside the borough's mental health services. Delivery takes place in family hubs, libraries, schools, and online. Young people are referred by schools, GP surgeries and other local services. We focus on breaking down barriers for children and young people from minority backgrounds and supporting those with neurodiverse needs. During the year, we received 156 referrals; worked with 151 young people and 151 families.

In the last quarter of the year, our Waltham Forest work expanded to oversee the **School Mental Health Ambassadors Project**, currently in 4 schools. This peer-support programme trains 18–25s to mentor secondary students with mild mental health needs.

The project aligns with clinical standards and includes referral screening, clear inclusion/exclusion criteria, robust case management, safeguarding, and clinical supervision of the School Mental Health Ambassadors. So far, over 25 young people have received peer support, with 100% reporting the help as positive and that they would recommend the service to a friend. The programme also provides Ambassadors with valuable work experience and professional development, building employability skills.

Funded by the Berkeley Foundation, the **Youth Leadership project** delivered 12 cohorts of a 14-week programme combining personal development and social-action. Compared to 2023/24, we worked with 84% more young people. Of 193 participants, 177 reported improved leadership skills, 163 increased employability for the future green economy and 157 improved resilience and mental wellbeing. Additionally, 157 reported better access to green spaces, and 170 felt more confident to drive change on issues that matter to them.

In 2024/25 we significantly scaled up delivery of **mental health care and prevention**. One-to-one therapy rose to 5,982 sessions (+ 130%) and 7,094 clinical hours (+94%), while group delivery increased to 1,420 sessions (+ 137%). Total attendance more than doubled to 34,473 (+112%), enabling thousands more young people, parents/carers and staff to access timely support. This growth strengthens early help; eases pressure on statutory services and embeds whole-school and community capacity—demonstrating a step-change in access and impact across our mental-health contracts. These results position Groundwork London as a high-performing, evidence-led partner of choice for commissioners, schools and communities.

Our **Volunteer Centres** in Kingston and Barnet continue to grow and evolve, supporting people to find volunteering opportunities in their community and helping organisations strengthen their volunteer management practices. In 24/25, we supported 225 organisations through training and one-to-one guidance, helping them create new roles and improve volunteer management. Over 1800 new volunteers were registered with Volunteering Barnet and Volunteering Kingston and more than 300 new volunteer roles were promoted.

We codesigned borough-wide volunteering strategies in Kingston and Barnet to make volunteering accessible, inclusive and a high-quality experience. The [Barnet Volunteer Strategy](#), launched in June 2023, set out a shared vision: *‘Together we build stronger communities by embracing and empowering volunteering.’* Progress against strategy goals in 24/25 included: producing Easy Read documents and short explainer videos to improve accessibility; supporting sanctuary seekers to take up volunteering with tailored role-matching; expanding youth volunteering opportunities and launching a dedicated Young Volunteers section on the Volunteering Barnet website; piloting a Time Credits scheme to recognise and reward volunteers. The Kingston Volunteer Strategy will be launched in June 2025.

In Barnet and Waltham Forest, we completed the final year of **Food Hub** delivery. The hubs redistributed surplus and purchased food to foodbanks and food aid organisations, helping to reduce food insecurity for residents. Over the year, we supported more than 30 foodbanks and food aid organisations, distributing over 474,000kg of food - equivalent to over 760,000 meals - while preventing 543,814 of CO₂ by diverting food from waste. As Local Authority funding come to an end in both boroughs, we supported the establishment of local initiatives to fill the gap. In Barnet, this included a volunteer led daily distribution of surplus food to foodbanks.

Promoting greener living & working – *helping people /and businesses learn more about their environmental impact and act responsibly to reduce natural resource use and improve their health.*

Fuel poverty continues to affect London’s most vulnerable residents, with some GLA modelling showing that it could potentially impact as many as 24% of London households. It’s families with young children, the elderly and those with existing health conditions that suffer the most acute effects of this through mental stress, poor health, and wellbeing.

During 2024/25 our **Green Doctors** supported over 2,400 households in fuel poverty, helping people save more than £325,000 through our energy saving advice and free devices. We installed 4,993 free energy saving devices (including LED bulbs, radiator panels and draught proofing), helping London households cut 1200 tonnes of CO₂ emissions. Alongside our Home Visit Service, we delivered energy saving outreach events, engaging over 2,000 people with advice, free ‘keep warm’ packs and referrals into our service. We also saw households facing rising debt, particularly over the winter, as high energy costs left many unable to clear debts. We supported people with debt write-off applications and set up sustainable repayment plans.

London faces growing water stress due to climate change (extremes of hotter, drier summers and less predictable rain patterns), population growth and rising demand. One of the solutions, is for domestic properties and businesses to use, and waste, less water. In partnership with Groundwork South, we have supported people to reduce their water use, fitted water saving devices and leak fixes through our **Water Efficiency programme**. Together we delivered over 25,000 visits to customers of Thames Water (5,055), Affinity Water (17,312), Wessex Water (2,724) to reduce their water consumption. These visits reduced average consumption by about 60 litres per household per day, or up to 300 litres where leaks were identified and fixed. Customer satisfaction remained high, with average scores of 9/10 and Net Promoter Scores above 70%.

Our Thames Water funded 'Smarter Business Visit' programme delivered savings of 10.1 megalitres (ML) per day, focusing on schools and other high footfall venues. Additional non-household water efficiency visits, delivered with Groundwork South, achieved water savings of 5ML per day (South-West Water), 1.67ML per day (Southern Water) and just under 1.5MLD for (South East Surrey Water).

We also supported Thames Water on pilot projects to reduce storm overflow events, installing 89 devices at 89 properties in Potters Bar and 66 devices at 59 properties in the Lye Valley area of Oxford, receiving excellent customer and client feedback.

Our community reuse hub, **The Loop Grahame Park Estate**, established in 2015 as part of the EU LIFE funded *REPURPOSE* programme, continues to provide essential services for local communities. We collect unwanted furniture and household appliances from residents' homes, repair them and resell them at low cost. The Loop also acts as a community hub, engaging volunteers and delivering workshops and training in repair and crafts. All sales income is reinvested into the project to purchase workshop equipment and fund more local events and free training. In 2024/25 we implemented a new digital sales system with online capabilities and invested in a new van for deliveries and collections, increasing capacity, reach and reliability. The site also offers year-round opportunities for smaller corporate groups to volunteer and gain hands-on experience of furniture upcycling.

Across all our reuse programmes diverted over 612 tonnes of waste from landfill and achieved overall savings of over 10,697 tonnes of CO₂ emissions.

As part of our health focused work, our team of 18 **Social Prescribing** Link Workers (SPLWs) supported over 5,100 patients across Hounslow GP practices in 2024/25, addressing non-clinical health needs such as mental health, housing issues (mould & damp), homelessness, employment, and social isolation. Patients were referred to over 130 specialist organisations, and wellbeing scores improved by an average of +0.81 points (ONS scale).

In December 2024, we introduced a **specialist Link Worker** at West Middlesex Hospital to support frequent users of Emergency Departments. Since the launch 125 patients have been supported with referrals covering mental health, urology, gastrological, cardiology, alcohol and drug addiction, diabetes, chronic pain and dermatological issues and social support, helping to reduce A&E attendances.

The London Borough of Barnet (LBB) Public Health commissioned us to engage with young people, parents/carers and delivery stakeholders (including school nurses, School Age Immunisation Services (SAIS) providers) to understand barriers and attitudes towards Human Papillomavirus (HPV) vaccination.

The project targeted communities with lower uptake of the vaccine, including Turkish, Jewish, Romanian, Black African, Black Caribbean, Jewish and Persian/Farsi speaking groups. We engaged 150 individuals through focus groups and one to one discussion providing insight into both practical and cultural barriers.

Key themes identified included, lack of clear accessible information for young people and their parents/carers before the vaccine is offered, specifically via reputable sources in community languages; concerns that the HPV vaccine will promote sexual activity; uncertainty around whether the vaccine is necessary; and concerns about safety and side effects relating both to HPV and vaccines more broadly.

Recommendations are now being taken forward by Barnet Public Health and shared across North Central London boroughs.

Creating better places – *supporting people to work collectively to make their surroundings greener, safer, and healthier and be actively involved in the way decisions are made about services in their area.*

We managed a broad portfolio of **Grant programmes** in 2024/25 distributing £9.5m on behalf of national, regional and local partners, to support nearly 650 grass roots community organisations across London. We have focused on grant administration opportunities that reflect the breadth of our own delivery services, allowing us to share valuable insight with partners and beneficiaries on codesign, effective selection and delivery. Funded projects have supported public space enhancement, tree planting, green travel choices, energy efficiency, community safety integration, access to culture, skills development and employment.

Through the grants programmes and the delivery of our own services - including community gardening, corporate volunteering and the work of our Landscape Design Team - 173 hectares of land was improved in London.

Our **Landscape Design** Team's expertise is reflected in its expansive project portfolio spanning core areas, such as climate adaptation and resilience; biodiversity and water management; SuDS (Sustainable Urban Drainage Systems) design (in both new landscapes and challenging retrofit schemes); training in SuDS design and management; planting and design to improve air quality; innovative natural, incidental and formalised play spaces; improved access to open and green spaces; therapeutic landscapes, and revitalising historic landscapes and heritage assets.

Our approach is to codesign with local communities, ensuring that projects reflect residents' aspirations and priorities. This year we continued to deliver therapeutic green spaces for the NHS, improve and enrich the well-being of patients, staff and visitors and provide opportunities for social prescribing.

At the **John Scott Health Centre**, for example, we designed the garden with raised beds for the gardening group and sensory planting with a medicinal theme and biodiverse habitats. The space also accommodates outdoor exercise and innovative, low maintenance decking and benches made from Plastecowood; a carbon neutral product made from 100% UK waste plastic.

Building on our successful project at **John Burns Primary School**, we have worked with LB Richmond and Wandsworth on projects to reduce flood risk and alleviate pollution to water courses, improve biodiversity and create greener public spaces. Highlights include a new on-street SuDS rain garden in Barnes and a SuDS retrofit on a Mortlake social housing estate, working with Richmond Housing Partnership (RHP) and Mortlake Hall through the Community BlueScapes Ideas Fund.

This year also saw the launch of our **SuDS/Green Infrastructure training** course with Capel Manor College. Our first cohort, from the London Borough of Barnet explored how SuDS and green infrastructure can reduce flood risk and enhance biodiversity. The 3-day training course included site visits to our flagship SuDS retrofit project at Queen Caroline Estate in Hammersmith, and covered topics such as construction and maintenance of SuDS and green infrastructure, the purpose and benefits of SuDS; climate change resilience; and the four pillars of SuDS: water quantity, water quality, amenity, and biodiversity.

We embarked on the second year of a two-year **Knowledge Transfer Partnership** with the University of East London, helping the Trust to realise **Biodiversity Net Gain** opportunities on land owned by Groundwork South (Goblin Combe in Bristol) and on sites owned by local authorities and private landowners in East Sussex.

In 2024/25, Groundwork London our **Communities** team were commissions by the GLA Resilience Team to work with partners, to develop a city-wide programme of community resilience, drawing on Groundwork's Communities Prepared model. This work led to the **Communities Prepared Toolkit** and **Climate Connected Communities** a new GLA-funded programme designed to help London's communities strengthen resilience to climate risks and extreme weather. The first London Community Resilience Toolkit provides a practical guidance to help local groups prepare for, respond to and recover from future challenges and emergencies. It covers mapping community assets and partners, developing and supporting volunteers, and making effective use of community spaces.

In March 2025, we concluded our **Afghan Refugee Resettlement** programme as part of London Borough of Hackney's commitment in the Afghan Relocation and Assistance Scheme funded by the Home Office. From 2021 to 2025, we provided intensive support to seven families including welcome booklets, benefit applications, school and college enrolments, and GP and dentist registrations. Personalised Support Plans affordability assessments and housing move-on plans were created. Ongoing support has also included ESOL courses, employment advice and health referrals, and integration as well as access to hardship and furniture funds.

Educational events were held on housing and wellbeing and E-visa applications completed for all family members. The project successfully supported families to improve self-sufficiency, overcome barriers and integrate into their community.

London Borough of Tower Hamlets commissioned Groundwork London in consortium with ReLondon, to deliver community engagement as part of the borough's 'Let's rethink Recycling' campaign. With a borough wide target to raise recycling rates from 17.7% to 23% by March 2025, activities focused on improving recycling knowledge and participation, held in primary schools and mosques in five neighbourhoods. Engagement included sessions with 9 mosques (800+ people) and 19 schools (725 children). Children and teachers rated the sessions 4.2 out of 5, with 75% of children saying they had learned 'quite a lot' or a 'lot', while 87% of teachers said the sessions linked well to the curriculum that they were studying.

As part of Islington Council's efforts to tackle the climate emergency and create a more sustainable future, the council launched Islington Greener Together in March 2022. The programme invited residents, businesses and community groups to help shape a more environmentally friendly future by bringing their green ideas to life. Groundwork London was commissioned to deliver the 2-year sister programme, **Islington Greener Together Champions** programme 2023-2025.

We devised and facilitated 32 bespoke training events for the growing network of 154 Champions and we designed and distributed a Maintenance Guide Pack for highways and housing green sites. We also provided a legacy strand, Wilder Streets-Community Science which offered Carbon Literacy accredited training and upskilled Champions to monitor the highways sites for biodiversity and recommend improvements for priority species habitats.

The **GDS Team** provides spatial and non-spatial data expertise to Trusts across the Groundwork Federation, streamlining processes, improving data-related efficiency, and ensuring reliable systems for project delivery and reporting.

The team has focused strongly on data and system development, with Salesforce used to create tools for data management, programme reporting, and national initiatives. Power BI dashboards now give Trusts, clients, and funders access to real-time data, improving transparency and decision-making. Automatic reporting is increasingly used to provide consistent updates to customers and businesses, for programmes such as Water Efficiency and Green Doctors. New process automations reduce manual data entry, while integration with Outlook via the Microsoft Graph API is streamlining scheduling and communication.

This work underpins some of the Federation's largest programmes. The GDS Team supports the delivery of the Water Efficiency Programme for 5 water companies covering over 827,000 properties and 65,000 businesses. For the Mental Health Programmes, 13 initiatives have reached more than 4,300 children, young people, and families. The Green Doctors service is currently delivered through 35+ active projects (including British Gas, Cadent Foundation) across 11 Trusts, with over 24,800 bookings completed in the FY 24/25.

Through the **Federation GIS programme**, 8 Trusts now use the ESRI ArcGIS platform to map and showcase projects both internally and publicly. This includes impact analysis, rivers management and story maps. The team also provides training and tailored mapping support, enabling colleagues across the Federation to make better use of spatial data in both project delivery and communications.

Groundwork London Financial Review

Groundwork London has determined to voluntarily provide a Statement of Financial Activity for Groundwork London 2024/25 as well as the required consolidated accounts for Groundwork London and Groundwork South (as its wholly owned subsidiary) for the same period. The financial review of the group is described earlier in this report.

Groundwork London shows income achieved in the year of £21,605,730 with expenditure of £21,969,528.

Principal Funding Sources

Funding for Groundwork London was provided by the following sources:

	£
Local Authorities	4,930,697
Public and Regional Agencies	5,026,846
European Union	16,552
Private Sector	11,540,444
National Lottery	91,191
	<u>21,605,730</u>

Reserves Policy

The Board of Trustees has agreed a long-term aim of holding unrestricted, free reserves equivalent to six months' (180 days) running costs. The Board believes this is a prudent level of reserves for a Charity based in Central London and is in line with other Groundwork Trusts.

The Board has agreed that a reasonable level of reserves is required to:

- absorb short term setbacks such as loss or delays in funding
- finance working capital needs and fund time delays between the expenditure and receipt of funds
- set aside funds for appropriate capital assets such as IT equipment and securing and developing suitable premises

The Board monitor unrestricted reserves on a quarterly basis and the Reserves Policy is reviewed on an annual basis to assess the needs of the organisation.

At the year-end unrestricted reserves shown in the balance sheet covered 218 days (2024: 208 days) running costs. The reserves days includes the consolidation of Groundwork South's accounts into the Groundwork London accounts.

Investment Policy

The Trust aims to have a portfolio of Financial Investments consistent with a "Balanced Portfolio" profile of risk, return, and liquidity, as identified in an externally conducted assessment of attitude to risk of the trustees when investing the Trust's assets. In order to achieve this it will select Investment Managers which are able to make informed and timely asset allocation decisions consistent with the objectives of this Investment Policy and which may include Government and Corporate Bonds (UK and Overseas), UK and overseas Equities, Property, Gold and other commodities (excluding coal) and cash.

The Trust aims to utilise returns from financial investments for its day to day operations.

The Trust wishes to keep at least 40% of total assets in investments which can be realised within three months.

A minimum of 10% of total assets should be capable of being liquidated within 7 working days.

The Trust will not invest directly in any organisation whose main business activity is:

- The production of tobacco or narcotics
- The production of pornographic material
- The manufacture of weapons of war
- Encouraging or enabling gambling
- Providing Home Credit (Doorstep Lending)
- Using child labour or other exploitative employment practices

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

The total return on the Trust's investments for 2024-25 were 0.1% (2023-24 8.96%).

Section 172 Statement

The Board is required to report on how its decision making has aligned with its duty to promote the success of the Charity in accordance with section 172 of the Companies Act 2006

The Board is required by law to take regard to the following factors in any decision-making process:

- the likely consequences of any decision making in the long term
- the interests of the company's employees
- the need to foster the company's business relationships with suppliers, customers and others
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a reputation for high standards of business conduct and
- the need to act fairly as between members of the company

Future Plans 2025/26

In line with our new strategy: Groundwork 2030, our ambition is continue to be a significant force for changing places and changing lives across London. During 2025/26 Groundwork London will work to three strategic objectives through which we expect to meet the challenges posed by London's operating environment:

1. Creating and delivering services to meet the needs of London and Londoners.

Delivering high quality, innovative actions with multiple economic, social and environmental benefits will be central to all that we do. Our priorities are:

Improving people's prospects – delivering support to help young people and adults improve their health and wellbeing, increase their confidence, skills and help those out of work find jobs.

Promoting greener living and working – helping people, organisations and businesses understand their environmental impact and take action to reduce carbon footprints, water consumption, waste, food and fuel poverty; and respond to climate, water and nature emergencies.

Creating better places – supporting people to work collaboratively to make their surroundings greener, more resilient, safer and healthier; and enabling people to work together, take action and bring about change in their local area

2. Building productive relationships and partnerships, influence and shape policies and share learning

The success of our work is reliant on building long-term, cross sector alliances to develop collaborative business opportunities and by adding value to local and regional strategic partnerships. We will focus on:

- Developing and expanding our associations with the London Boroughs and the Housing sector
- Exploring and creating new programme activities with the GLA and TfL, London Councils, and the London Strategic Waste Authorities, Health commissioners and providers and academic institutions
- Develop new services for residents and businesses with utilities companies and expanding our work with the corporate sector
- Provide management and Board support to Cross River Partnership, London Community Resource Network and Our Park Life
- Working with the voluntary sector and other community support organisations
- Working with the members of the Groundwork Federation on business development, peer support and the future development of the Federation

3. Maintaining a strong, viable business, achieving excellence in service delivery

We will continue to innovate, evolve and grow as an organisation building on our experience, our successes and learning. We will continue to improve how we plan, deliver and measure the impact of our programmes, whilst enhancing our organisational capabilities, internal systems and operations ensuring that we are:

- Fostering a culture of equity and inclusion
- Enabling collaboration
- Driving innovation
- Demonstrating and promoting the value and benefit of our services
- Focusing on those in most need
- Continuing to invest in our competencies, professionalism and specialist skills
- Diversifying our funding
- Modelling sustainable behaviours

As we continue to evolve and grow as an organisation we build on our experiences, successes, and learning. We are committed to fostering a culture of equity and inclusion and support participative and integrated working across all staff teams. We will progress actions identified by our staff and trustees with a focus on; raising our consciousness and actions of Equity, Diversity & Inclusion; diversity in our employees and at senior levels; and communications. We view promoting equality in the workplace as an ongoing endeavour; we aim to ensure our approach and processes continue to be aware and responsive to continuous improvement.

We will also ensure that Groundwork activity is sustained and developed across the South of England through our wholly owned subsidiary Groundwork South. We will do this through shared leadership and management of defined specialist activities. Groundwork South will present its own business plan focused on the communities in South East & South West England.

We will deliver:

Community spaces:

Enabling community led environmental improvements through co-creation of open spaces. We will:

- Inspire, mobilise and support people of all ages to take a more active role in improving, managing and activating the local spaces or community hubs that matter to them
- Focus activity on neighbourhoods where there is more limited access to high quality open space.
- Work creatively with landowners, funders and other partners to maximise the social, health and wellbeing economic and environmental benefits of green spaces

Green infrastructure:

Providing leading technical expertise in sustainable urban landscape design, Nature Based Solutions and climate change adaptation. We will:

- Provide technical and delivery expertise in landscape design, sustainable drainage systems, rainwater management and storm-water reduction initiatives
- Providing Geographic Information Systems mapping insight and spatial analysis
- Create and enhance spaces that are resilient to the changing climate, and that meet the needs of local communities for sport, play and recreation and enhance London's nature and heritage
- Apply our expertise in rewilding, land management, Biodiversity Net Gain and carbon sequestration to support green space projects including those of our partners and community initiatives

Health & Wellbeing

Encouraging physical activity, promoting healthy lifestyles, supporting personalised care and the prevention of poor health and addressing environmental causes of health problems and tackling health inequalities.

We will:

- Encourage, enable and champion people to improve their health and well-being through physical activity and participation in social prescribing and community champions' initiatives. Linking individuals to alternatives to clinical support, such as community services, activities, and resources, to address wider health and well-being needs
- Help people improve their mental health through specialist support, well-being coaching and signposting
- Address food poverty by tackling food inequalities, promoting community food growing and healthy eating
- Focus on addressing major environmental issues that impact health such as poor air quality and extreme weather events, and help Londoners adapt to these challenges

Social integration

Using a community participation approach to create stronger, more cohesive communities, to improve quality of life and opportunity. We will:

- Tackle the social, physical and practical barriers to inclusion, including knowledge and skills, perceptions and confidence, and access issues such as digital exclusion
- Help socially isolated individuals, in particular older people through activities such as 1-2-1 support, creative group workshops and facilitating volunteering opportunities
- Support the integration of marginalised groups, including refugees, migrants and older people, through peer support, building confidence, connection to local services and linking to social networks

Volunteering:

Brokering volunteering opportunities for individuals and organisations. We will:

- Inspire and support people of all ages to volunteer, helping them find the right opportunities, ensuring they have great experience and fulfil the goals that motivated them to volunteer
- Encourage volunteering to improve well-being, build skills, and gain experience for employment
- Support organisations to identify volunteering opportunities and make the most of volunteers' time and skills
- Helping businesses and the public sector to enhance employee engagement and their workforce through team building, skills-based, and micro-volunteering activities and volunteering programmes

Employment and Skills:

Providing personal advice and guidance, training, work experience and job brokerage. We will:

- Help the most disadvantaged people improve their skills and move from welfare into sustainable employment by: personal advice and guidance; realistic work placements and trials; addressing barriers to work and linking the right people with the right jobs
- Deliver accredited training, certifying the skills that people have gained from working with us, and enabling them to gain employment and progress into further training

Youth work:

Delivering coaching, mental health support and engaging activities to empower young people to develop their life skills and achieve their potential. We will:

- Run clubs and activities for young people that enable them to develop life skills, engage in social action and contribute to rewarding work in their local community
- Work to improve the attainment, aspirations and wellbeing of young people, coaching them to make the most of their education opportunities, explore meaningful career paths and make positive life choices
- Provide young people with early intervention and prevention for mental health and wellbeing

Green Jobs:

Promoting the growth of green jobs, raising awareness of them and providing practical, attainable routeways for disadvantaged job seekers. We will:

- Raise awareness of green jobs and create and deliver training programmes to enable people to secure work in this sector
- Create waged, supported work opportunities in the green sector to enable people to gain work experience
- Support green sector businesses to attract and upskill a diverse workforce
- Create trainee and apprenticeship opportunities across Groundwork's work programmes covering areas such as reuse, water and energy efficiency

Resource efficiency:

Reducing waste, energy and water consumption through advice and action. We will:

- Help more people, particularly vulnerable residents, to reap the benefits from more efficient consumption of resources, changing behaviours and accessing support to improve homes through retrofit and new technologies leading to reduced energy and water consumption and lower utility bills
- Support and build the capacity of public, private and voluntary sector organisations to meet carbon and water stress reduction targets, as well as their wider environmental management aspirations, ESG and social responsibility or social value targets
- Contribute to London's circular economy and its wider co-benefits by increasing and promoting upcycling, recycling and reuse, in particular domestic furniture, white goods and bicycles

Grants Management

- Provide grants administration service for public, third sector and private partners to efficiently distribute funding to delivery organisations of all sizes, types and sectors ensuring accessibility and support for diverse communities and needs
- Provide grant management consultancy and co-design services to funders, helping them effectively achieve their goals whilst ensuring support meets the needs of grantees
- Design and deliver practical capacity building including training, workshops, 1-2-1 guidance, to help organisations access funding more equitably, strengthen their ability to deliver successful projects and embed strong environmental practices in their work

Climate Action

Empowering Londoners to tackle climate change through education, coproduction, and sustainable action. We will:

- Increase Londoners' awareness of and resilience to climate change through carbon literacy training and other educational initiatives that support them to minimise the causes and effects of climate change, reducing climate and wider eco-anxiety
- Support communities in emergency planning through large scale engagement campaigns, with a focus on those most disproportionately affected by the impacts of climate change
- Identify opportunities to help London respond to the nature emergency and reduce biodiversity loss
- Actively support and promote greener travel opportunities in the capital

Innovation and development

Investing in new ideas and development to meet London's changing needs. We will:

- Invest in ideas and new ways of doing things in collaboration with our key partners, clients and funders to address the challenges facing London and Londoners

Principal Risks and Uncertainties

The Board accepts its responsibility under the Charity Commission's Statement of Recommended Practice (SORP) for ensuring the major risks to which the charity is exposed are identified and reviewed and that there are systems in place to mitigate against them.

The Trust undertakes an annual review of risk; the principal risks identified during the business planning process for the forthcoming year are:

- Failure to secure funding for the projected operations plans
- Inability of the organisation to meet its utilisation targets or chargeable rates
- Poor performance and partner dissatisfaction with the quality of delivery
- Loss of large contracts
- Failure to deliver targets in 'payment by results' contracts

Strategic planning is central to our business management, common features that will help us address these risks are:

- Undertaking regular compliance reviews of all contracts to ensure service delivery meeting contract requirements
- Implementing adjustments to ensure agreed outputs and outcomes are met, empowering our staff to develop new, creative and effective ways of working
- Reviewing and amending our business operations, including a focus on ICT as being essential to adapting our delivery and working arrangements
- Implementing changes to our structure and operations as required to ensure the Charity can continue to deliver its charitable objectives
- Expanding our offer to existing and new partnerships with local authorities, housing associations and the private sector
- Investing in specialist skills to drive up quality across all our services
- Prioritising and consolidating development, marketing and communications to grow our visibility and broaden our access to new income sources
- Developing and implementing new strategies for the recruitment of experienced staff to manage and deliver services, balanced with identifying and developing talent within our staff team
- Maintaining fundraising capacity and continuing to strengthen the quality of our bids and tenders
- Continued emphasis on demonstrating the value and benefits of Groundwork's services
- Monitoring delivery and financial performance
- Preparing actions plans to mobilise change processes arising from changes or loss of major contracts
- Providing training and support to improve project and performance management and client focus skills to ensure projects are delivering required outcomes, on time and to budget
- Engaging with Groundwork South and the Federation to provide support to business management and development and specialist delivery services

Financial management of projects is controlled using PIMS (Project Information Management System). The Trust has strong skills within the staff teams in its effective use. Expenditure is only made on projects once income has been secured. The amount of secured and unsecured income and the expenditure and revenue on all projects is analysed on a monthly basis. Detailed management information is imported from the system to provide up to date financial and operational performance against targets.

The Executive Team reviews income and contribution secured against business plan, team capacity and project performance together with other business information. These are also reported to the staff teams at monthly Operations and Development meetings and on a quarterly basis to the Board, to focus Trust attention on achieving Business Plan targets.

In addition to reviewing the risk register, quarterly reports to the Board monitor income & expenditure and progress towards financial targets. Detailed management accounts are examined at each meeting. The Trust submits these accounts to Groundwork Federation on a quarterly basis and is monitored on security of income and financial stability.

Financial Instruments

Groundwork London's financial risk management objective is broadly to seek not to make losses from exposure to any interest rate or currency fluctuations. In the year 2024/25 we have had no exposure to these fluctuations. Our policy has been to finance fixed assets through retained reserves. Other than bank charges, no interest is payable on our bank accounts.

Energy and Carbon Statement

As part of the obligations set out under the Energy and Carbon Report Regulations 2018, we monitor and measure energy consumed, and subsequent carbon created as an organisation. The energy we consume is primarily fossil fuel which falls within scope 1 & 2, as classified under Energy and Carbon Reporting (SECR).

We created and published our carbon reduction plan in March 2025.

Employees

Groundwork London provides an inclusive working environment for employees and supports professional and personal development. Groundwork London is committed to fostering a culture of diversity, respect and inclusion as well as equality of opportunity for all employees. Employment practices and policies are in place to ensure that no employee receives less favourable treatment because of age, disability, gender, race, religion or sexual orientation.

The Executive Team regularly provides information to employees through inductions, monthly emails and regular all team meetings. We have also setup Teams channels for specific topics including Wellbeing and Learning and Development. The organisation provides wellbeing support through its Wellbeing Network and its team of Mental Health First Aiders. We subscribe to Health Assured's Occupational Health Employee Assistance programme, help and advice lines, counselling and listening line, online web chat and online videos. The organisation also operates an Employee Benefits Health Cash Plan where staff can claim contributions on healthcare bills.

In line with legislation we calculate and publish our annual gender pay gap data and report in April each year. Our mean gender pay gap in April 2025 reported that women earn 4.2% more than men (April 2024: 4.2% higher) and median was 10.27% higher (April 2024: 7.1% higher).

Reference and Administrative Details

Registered Company number
04212532 (England and Wales)

Registered Charity number
1121105

Registered office of the company and principal office of the charity
18-21 Morley Street, London, SE1 7QZ

Our advisers

Auditors	Hartley Fowler	4 th Floor, Tuition House, 27/37 St George's Road, London, SW19 4EU
Bankers	Lloyds	Blackheath Branch, PO Box 1000, BX1 1LT
Solicitors	Bates, Wells & Braithwaite	61 Charterhouse Street, London EC1M 6HA

Key management personnel: Directors and Trustees

The directors of the charity are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

Co-opted	Alan Smith (Chair 1/4/14)	appointed	20/02/2012
	Graham Beal	appointed	10/03/2014
	Dan Davidson	resigned	24/06/2024
	Phil Stokes	resigned	23/09/2024
	Keith Taylor	appointed	20/03/2017
	Sophie Taysom	resigned	10/03/2025
	Sadaf Rasheed	resigned	11/04/2025
	Tom Leake	appointed	28/09/2020
	Alex Beer	appointed	27/11/2023
	Tony Beaman	appointed	26/02/2024
	Wen-Yu Weng	appointed	26/02/2024
	Simon Herbert	appointed	12/06/2025
Groundwork UK nominee	Marilyn Baxter	resigned	10/03/2025
Local Authority nominee	Susan Wise	resigned	23/09/2024
Company Secretary	Stuart Harrison		

Key management personnel: Senior Managers

Executive Director	Lindy Kelly
Director, Finance & Corporate Services	Stuart Harrison
Director, Communities & Environmental Services	Katrina Baker
Director, Development & Strategic Programmes	Ben Coles
Director, Youth, Employment & Skills	Graham Parry

Structure, Governance and Management

Structure

Groundwork London is a registered charity and company limited by guarantee and is governed by its Articles of Association. Groundwork London was registered as a limited company on 8th May 2001 under the name Groundwork London Partnership and changed its name by Special Resolution to Groundwork London on 10th September 2007. On 1st November 2007 Groundwork London merged with Groundwork Southwark & Lambeth, Groundwork South East London and Groundwork Merton. On 1st April 2008 Groundwork London merged with Groundwork West London and incorporated the London activities of Groundwork Federation (non-legal incorporation). Groundwork North and Groundwork East London transferred as mergers on 1st April 2009.

Groundwork London is a member of the Federation of Groundwork Trusts in England, Wales and Northern Ireland, each working with partners to improve the quality of the local environment, the lives of local people and the success of local businesses in areas in need of investment and support. The Federation Membership Agreement is a bilateral agreement jointly signed by both the Trust and the Federation, setting out the obligations, defining the minimum quality and ethical standards, setting out the core values and defining the circumstances and procedures whereby Trusts may be required to leave the Federation.

Groundwork London became the sole company member of The Groundwork South Trust Ltd on the 14th March 2017. Groundwork South continues to operate as an independent company with its own Board.

The Members of Groundwork London

The company members are the Federation of Groundwork Trusts, Dan Davidson, Eugenie White, Alan Smith, John Smith and Susan Wise.

Governance

As Groundwork London has evolved so has our Governance ensuring that it is both relevant and effective as well as being resilient to future changes in our operating environment.

Board of Trustees

The Governing body of the Trust is the Board of Trustees. The Board is responsible for major strategic decisions and has ultimate responsibility for the conduct and financial viability of the organisation, it meets formally four times a year. The Board comprises of not more than 15 Directors of whom not more than 6 are either nominated or appointed and 9 co-opted Trustees:

Trustees generally serve in terms of between 12 months and 3 years and can be reappointed by the Board. The Board has an agreed strategy to enable Board succession to occur on a rolling basis.

Committees

The Board has established several committees:

- Finance & Audit Committee is responsible for reviewing the overall status of financial and investment resources and for making appropriate recommendations to the Board. It meets four times a year.
- The Executive Recruitment & Remuneration Committee assists the Board in the appointment of the Executive Director and to support the Executive Director in the appointment of Directors and to consider and approve their remuneration. The Remuneration Committee meets once per year.
- The Remuneration Committee is appointed by the Board to consider and approve the Trusts annual pay review within the parameters set by the Board and to approve the Trusts salary grading structure. The committee also assists the Board in the appointment of the Executive Director and to support the appointment of members of the Executive Team.

* The governance structure has included the Local Authority Members Board. It is proposed to discontinue this Board during 2025/26. This will necessitate a change in the Trusts Articles of Association.

Induction & Training

New members of the Board of Trustees are provided with the Groundwork London Governance handbook and other key documents and have an induction meeting with the Executive Director. The induction includes an overview of the objects of Groundwork London and its Vision and Mission, the structure, its staff and volunteers and finance. Trustees are also encouraged and supported in visiting projects.

Community Interest Company – Our Parklife

Our Parklife was formally constituted in September 2014 by company members; Equans (previously known as Engie prior to name change); Groundwork London; Renaisi and Idverde (previously known as The Landscape Group prior to acquisition). Equans appoint two members to the Board and all other members appoint one Director. Groundwork London's has appointed two Directors who alternate, they are Graham Parry (Director, Youth, Employment & Skills) & Ben Coles (Director, Development & Strategic Programmes).

The objects of the Company are to carry on activities which benefit the community and in particular (without limitation) to promote the social, economic and environmental well-being of residents in the boroughs immediately surrounding the Queen Elizabeth Olympic Park in Stratford by providing opportunities in the park:

- for employment and training; improving skills and knowledge; and encouraging entrepreneurship, innovation and business skills;
- within the operations of the Members across London for employment and training and improving skills and knowledge;
- for new and existing residents to meet and mix to promote cohesion and inclusion; and
- for local people to volunteer, to learn about environmental sustainability and to undertake initiatives in their own neighbourhoods and provide educational opportunities for schools and young people.

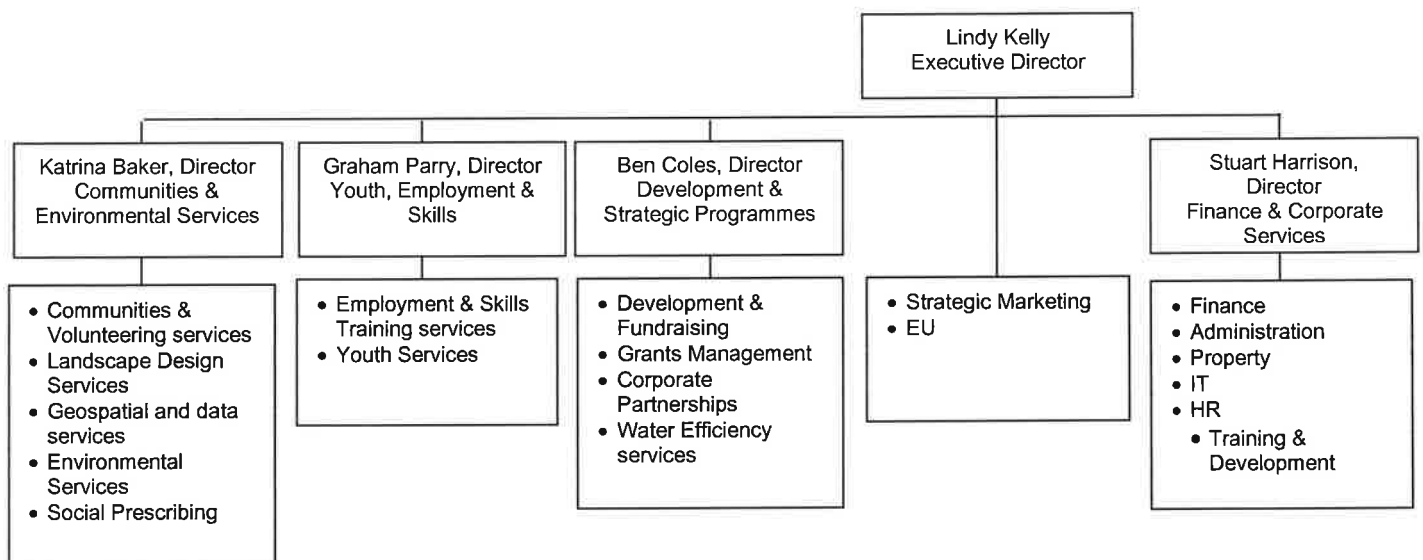
Management

The Board delegates day-to-day financial and managerial control of the organisation to the Executive Director. The Executive Director, together with the Executive Team, meets monthly to discuss the operational and financial status of the Trust.

Groundwork London's professional team continues to evolve in response to changes to our organisational structure and changes to the scale of the activities across each of our thematic areas and the needs of our business operational requirements. The framework within which our teams are organised are guided by the following principles:

- We must remain embedded in the local community, with local delivery at the core of what we do
- We must be able to operate a seamless, consistent and high-quality delivery service across London
- We need to be a credible local and regional partner able to operate at a strategic level
- We must be a strong and viable organisation

Projects and programmes continue to be delivered by local teams, with management organised through area management structures and specialist service. At the end of the 2024/25 we had 231 FTE employees.



Trustees' responsibilities in relation to the financial statements

The charity trustees (who are also the directors of Groundwork London for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to 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 the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware, and
- the trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the board of trustees



Trustee

Date: 15th September 2025

Independent Auditor's Report to the members of Groundwork London

Opinion

We have audited the financial statements of Groundwork London (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company'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;
- 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 Auditors' 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 Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, including the strategic 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. 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 trustees' annual report, including the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the trustees' annual report, including the strategic report has 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 their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 trustees' responsibilities statement set out in the trustees' annual report, 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 group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

We identify and assess risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Independent Auditor's Report to the members of Groundwork London (continued)

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and the charities activities;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charitable company's documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the charitable company operates in. The key laws and regulations we considered in this context included the Charities Act 2011, UK Companies Act and tax legislation.

In addition we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.

As a result of performing the above, we did not identify any key matters related to the potential risk of fraud or non-compliance with laws and regulations.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provision of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reviewing minutes of meetings of those charged with governance, reviewing internal reports, and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments, assessing whether the judgements made in making accounting estimates are indicative of a potential bias and evaluating the business rationale for any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indication of fraud or non-compliance with laws and regulations throughout the audit.

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

Independent Auditor's Report to the members of Groundwork London (continued)

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 auditors' 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.



Jonathan Askew, FCA (Senior statutory auditor)
for and on behalf of Hartley Fowler LLP
Statutory Auditor
Chartered Accountants
Fourth Floor, Tuition House
27/37 St George's Road
London
SW19 4EU

Date 8 December 2025

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Consolidated Statement of Financial Activities for the year ended 31st March 2025, incorporating the Income and Expenditure account

		Unrestricted Funds	Restricted Funds	31.3.25 Total Funds	31.3.24 Total Funds
	Notes	£	£	£	£
INCOME					
Investment income	3	415,393	-	415,393	398,994
Income from charitable activities	4	20,935,174	6,506,976	27,442,150	32,017,127
Total Income		<u>21,350,567</u>	<u>6,506,976</u>	<u>27,857,543</u>	<u>32,416,121</u>
EXPENDITURE					
Cost of raising funds	5	100,891	-	100,891	94,120
Charitable activities	6	21,931,112	6,154,118	28,085,230	32,257,746
Total expenditure		<u>22,032,003</u>	<u>6,154,118</u>	<u>28,186,121</u>	<u>32,351,866</u>
Net income before gains/ (losses) on investments		(681,436)	352,858	(328,578)	64,255
Net (losses)/ gains on investment properties	14	-	(2,896)	(2,896)	(19,717)
Net gains / (losses) on cash investments	18	(101,560)	-	(101,560)	152,408
Net income		<u>(782,996)</u>	<u>349,962</u>	<u>(433,034)</u>	<u>196,946</u>
Transfers between funds	23	357,858	(357,858)	-	-
Net movement in funds		<u>(425,138)</u>	<u>(7,896)</u>	<u>(433,034)</u>	<u>196,946</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>10,524,281</u>	<u>1,487,895</u>	<u>12,012,176</u>	<u>11,815,230</u>
TOTAL FUNDS CARRIED FORWARD	23	<u>10,099,143</u>	<u>1,479,999</u>	<u>11,579,142</u>	<u>12,012,176</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

The notes on pages 38 to 58 form part of these financial statements.

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Charity Statement of Financial Activities for the year ended 31st March 2025, incorporating the Income and Expenditure account

		Unrestricted Funds	Restricted Funds	31.3.25 Total Funds	31.3.24 Total Funds
	Notes	£	£	£	£
INCOME					
Investment income	3	415,393	-	415,393	398,994
Income from charitable activities	4	16,672,760	4,517,577	21,190,337	25,635,771
Total Income		<u>17,088,153</u>	<u>4,517,577</u>	<u>21,605,730</u>	<u>26,034,765</u>
EXPENDITURE					
Cost of raising funds	5	100,891	-	100,891	94,120
Charitable activities	6	17,371,385	4,509,763	21,881,148	25,918,074
Total expenditure		<u>17,472,276</u>	<u>4,509,763</u>	<u>21,982,039</u>	<u>26,012,194</u>
Net income before gains/ (losses) on investments		(384,123)	7,814	(376,309)	22,571
Net (losses)/ gains on investment properties	14	-	(2,896)	(2,896)	(19,717)
Net gains / (losses) on cash investments	18	(101,560)	-	(101,560)	152,408
Net income		<u>(485,683)</u>	<u>4,918</u>	<u>(480,765)</u>	<u>155,262</u>
Transfers between funds	23	12,814	(12,814)	-	-
Net movement in funds		<u>(472,869)</u>	<u>(7,896)</u>	<u>(480,765)</u>	<u>155,262</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>10,555,103</u>	<u>1,487,895</u>	<u>12,042,998</u>	<u>11,887,736</u>
TOTAL FUNDS CARRIED FORWARD	23	<u>10,082,234</u>	<u>1,479,999</u>	<u>11,562,233</u>	<u>12,042,998</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

The notes on pages 38 to 58 form part of these financial statements.

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Consolidated Balance Sheet as at 31st March 2025

		31.3.25	31.3.24
	Notes	£	£
FIXED ASSETS			
Tangible assets	12	2,128,613	2,188,622
Intangible assets	13	-	-
Investment properties	14	3,500,000	3,502,896
TOTAL FIXED ASSETS		5,628,613	5,691,518
CURRENT ASSETS			
Debtors	17	6,453,759	10,058,074
Current asset investments	18	2,915,130	3,016,690
Cash at bank		3,540,883	2,574,990
TOTAL CURRENT ASSETS		12,909,772	15,649,754
LIABILITIES			
Creditors falling due within one year	19	(6,959,243)	(9,329,096)
NET CURRENT ASSETS		5,950,529	6,320,658
TOTAL ASSETS LESS CURRENT LIABILITIES		11,579,142	12,012,176
NET ASSETS		11,579,142	12,012,176
THE FUNDS OF THE GROUP	23		
General funds		6,053,652	6,367,230
Designated funds		2,105,361	2,115,361
Fair value reserve		1,940,130	2,041,690
Restricted revaluation fund		1,017,776	1,020,672
Restricted property fund		462,223	467,223
TOTAL GROUP FUNDS		11,579,142	12,012,176

The financial statements were approved by the Board of Trustees on 15th September 2025 and were signed on its behalf by:



Alan Smith - Trustee

The notes on pages 38 to 58 form part of these financial statements

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Charity Balance Sheet as at 31st March 2025

	Notes	31.3.25 £	31.3.24 £
FIXED ASSETS			
Tangible assets	12	1,161,367	1,207,307
Investment properties	14	3,500,000	3,502,896
		4,661,367	4,710,203
TOTAL FIXED ASSETS			
NON CURRENT ASSETS			
	16	-	-
CURRENT ASSETS			
Debtors	17	6,001,059	9,221,198
Current assets investments	18	2,915,130	3,016,690
Cash at bank		3,019,008	1,652,560
		11,935,197	13,890,448
TOTAL CURRENT ASSETS			
LIABILITIES			
Creditors falling due within one year	19	(5,034,331)	(6,557,653)
		6,900,866	7,332,795
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES			
		11,562,233	12,042,998
NET ASSETS			
		11,562,233	12,042,998
THE FUNDS OF THE CHARITY			
	23		
Unrestricted funds		6,036,743	6,398,052
Designated funds		2,105,361	2,115,361
Fair value reserve		1,940,130	2,041,690
Restricted revaluation fund		1,017,776	1,020,672
Restricted property fund		462,223	467,223
		11,562,233	12,042,998
TOTAL CHARITY FUNDS			

The financial statements were approved by the Board of Trustees on 15th September 2025 and were signed on its behalf by:



Alan Smith - Trustee

The notes on pages 38 to 58 form part of these financial statements

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Consolidated Statement of Cash Flows for the year ended 31st March 2025

	Notes	31.3.25 £	31.3.24 £
Cash flows from operating activities	25	570,878	(2,606,465)
Cash flow from investing activities			
Investment income received		415,393	398,994
Income from sale of investments		-	-
Disposal of fixed assets		690	-
Purchase of fixed assets		(21,068)	(69,877)
Net cash used in investing activities		395,015	329,117
Net Increase/(decrease) in cash and cash equivalents		965,893	(2,277,348)
Cash and cash equivalents at the beginning of the year		2,574,990	4,852,338
Cash and cash equivalents at the end of the year		3,540,883	2,574,990

The notes on pages 38 to 58 form part of these financial statements

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Charity Statement of Cash Flows for the year ended 31st March 2025

		31.3.25	31.3.24
	Notes	£	£
Cash flows from operating activities	25	971,433	(3,061,467)
Cash flow from investing activities			
Investment income received		415,393	398,994
Income from sale of investments		-	-
Cash inflows from new investments		-	-
Cash outflows from new investments		-	-
Disposal of fixed assets		690	
Purchase of fixed assets		(21,068)	(69,877)
Net cash used in investing activities		395,015	329,117
Net Increase/(decrease) in cash and cash equivalents		1,366,448	(2,732,350)
Cash and cash equivalents at the beginning of the year		1,652,560	4,384,910
Cash and cash equivalents at the end of the year		3,019,008	1,652,560

The notes on pages 38 to 58 form part of these financial statements

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Notes to the financial statements for the year ended 31st March 2025

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Groundwork London meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. With respect to the next reporting period, 2025-26, the most significant areas of uncertainty are the impacts on Government and Local Authority funding commitments following the change in Government.

b) Estimates and judgements

The investment property valuations referred to in note 14 are based on the professional opinion of fair value from a qualified chartered surveyor.

c) Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably. Grants receivable, where related to performance are accounted for as the charity earns the right to consideration by its performance. Where income is received in advance, recognition is deferred and included in creditors and where entitlement arises before income is received the income is accrued.

d) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

e) Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs. These costs are allocated to projects based on the ratio of project time incurred.

f) Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life. Items over £2,000 are capitalised.

Long leasehold	-over the term of the lease
Buildings	-2% per annum
Fixtures and fittings	-at varying rates on cost
Motor vehicles	-at varying rates on cost
Computer equipment	-at varying rates on cost

g) Intangible fixed assets

Amortisation is provided at the following rates:

Software	- 20% straight line
----------	---------------------

h) Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve. No depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to run.

i) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

j) Taxation and VAT

The charity is exempt from corporation tax on its charitable activities. The company is registered for VAT and all resources expended are inclusive of irrecoverable VAT. Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

k) Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the note 24 to the financial statements.

l) Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the period of the lease.

m) Consolidation

The financial statements consolidate the results of the charitable company and its wholly owned subsidiary, The Groundwork South Trust Ltd, on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charitable company has also been presented. The charitable company also has two dormant subsidiaries as set out in the notes to the accounts.

n) Pensions

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The company pays fixed contributions, charged to the statement of financial activities in the period to which they relate. The charity contribution is restricted to the contributions disclosed in note 11.

The money purchase plan is managed by AEGON and the plan invests the contributions made by the employee and employer in an investment fund to build up over the term of the plan.

The Trust has no liability beyond making its contributions and paying across the deductions for the employee's contributions. A similar defined contribution scheme is operated by the subsidiary company, The Groundwork South Trust Ltd.

o) Debtors

Trade and other debtors are recognised at the settlement amount due. No discounts are offered. Prepayments are valued at the amount prepaid

p) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

q) Investment policy

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust aims to have a portfolio of Financial Investments consistent with a "Balanced Portfolio" profile of risk, return, and liquidity, as identified in an externally conducted assessment of attitude to risk of the trustees when investing the Trust's assets. In order to achieve this it will select Investment Managers which are able to make informed and timely asset allocation decisions consistent with the objectives of this Investment Policy and which may include Government and Corporate Bonds (UK and Overseas), UK and overseas Equities, Property, Gold and other commodities (excluding coal) and cash.

The Trust aims to utilise returns from financial investments for its day to day operations.

The Trust wishes to keep at least 40% of total assets in investments which can be realised within three months.

A minimum of 10% of total assets should be capable of being liquidated within 7 working days.

The Trust will not invest directly in any organisation whose main business activity is:

- The production of tobacco or narcotics
- The production of pornographic material
- The manufacture of weapons of war
- Encouraging or enabling gambling
- Providing Home Credit (Doorstep Lending)
- Using child labour or other exploitative employment practices

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

r) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts available.

s) Government Grants

Government grants are recognised when the entity has reasonable assurance that conditions attached to the grant will be complied with and that the grant will be received.

Revenue grants are recognised using the accrual model and are therefore recognised as income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. Revenue grants are measured at fair value, being the amount of cash receivable.

2. LEGAL STATUS

Groundwork London is a company limited by guarantee and has no share capital. The registered office and principal place of business is 18-21 Morley Street, London, SE1 7QZ. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

3. INVESTMENT INCOME

	Charity	
	31.3.25	31.3.24
	£	£
Rents received	282,568	297,711
Bank and investment interest	132,825	101,283
	<u>415,393</u>	<u>398,994</u>

	Group	
	31.3.25	31.3.24
	£	£
Rents received	282,568	297,711
Bank and investment interest	132,825	101,283
	<u>415,393</u>	<u>398,994</u>

Investment income includes income received for the leasing out of business units at Artichoke Mews, a public house adjacent to Denmark Hill railway station, income received for leasing out space at Morley Street and Lower Clapton Road, deposit interest received, income from Trust current investments and interest on loans from group undertakings.

4. INCOME FROM CHARITABLE ACTIVITIES

	Charity			
Income was received for:	Unrestricted funds	Restricted funds	31.3.25	31.3.24
	£	£	£	£
Communities and Environmental Service	8,287,376	24,033	8,311,409	9,649,368
Landscape Design Services	1,374,118	-	1,374,118	1,464,990
Youth, Employment & Skills Training	1,514,109	4,493,544	6,007,653	6,936,191
Strategic Partnerships & Programmes	5,497,157	-	5,497,157	7,585,222
	<u>16,672,760</u>	<u>4,517,577</u>	<u>21,190,337</u>	<u>25,635,771</u>

In 2025 the income from charitable activities was £21,190,337 (2024: £25,635,771) of which £16,672,760 (2024: £11,246,813) was income from unrestricted funds and £4,517,577 (2024: £14,388,958) was income from restricted funds.

4. INCOME FROM CHARITABLE ACTIVITIES (cont'd)

Income was received for:	Group			
	Unrestricted funds	Restricted funds	31.3.25	31.3.24
	£	£	£	£
Communities and Environmental Service	11,840,787	1,570,539	13,411,326	14,730,922
Landscape Design Services	2,055,030	529,744	2,584,774	1,770,469
Youth, Employment & Skills Training	1,574,570	4,406,693	5,981,263	8,421,484
Strategic Partnerships & Programmes	5,464,787	-	5,464,787	7,094,252
	<u>20,935,174</u>	<u>6,506,976</u>	<u>27,442,150</u>	<u>32,017,127</u>

In 2025 the income from charitable activities was £27,442,149 (2024: £32,017,127) of which £20,935,173 (2024: £16,121,934) was income from unrestricted funds and £6,506,976 (2024: £15,895,193) was income from restricted funds.

Income was provided by:	Charity	
	31.3.25	31.3.24
	£	£
Local Authorities	4,930,697	3,989,152
Public and Regional Agencies	5,026,846	9,638,537
European Union	16,552	2,546,454
Private Sector	11,125,051	9,223,054
National Lottery	91,191	238,574
	<u>21,190,337</u>	<u>25,635,771</u>
	Group	
	31.3.25	31.3.24
	£	£
Local Authorities	8,497,974	6,244,952
Public and Regional Agencies	5,193,565	10,214,171
European Union	-	2,122,987
Private Sector	13,523,354	12,886,139
National Lottery	227,255	548,878
	<u>27,442,150</u>	<u>32,017,127</u>

Income arose from:	Charity	
	31.3.25	31.3.24
	£	£
Sale of goods	622,761	593,603
Rendering of services	12,780,866	12,801,628
Grants	7,411,337	10,093,465
Government grants – employment programmes	375,373	2,147,075
	<u>21,190,337</u>	<u>25,635,771</u>
	Group	
	31.3.25	31.3.24
	£	£
Sale of goods	622,761	593,603
Rendering of services	19,032,679	19,182,984
Grants	7,411,337	10,093,465
Government grants – employment programmes	375,373	2,147,075
	<u>27,442,150</u>	<u>32,017,127</u>

5. COSTS OF RAISING FUNDS

	Charity and Group	
	31.3.25	31.3.24
	£	£
Other operating leases	51,614	77,674
Administrative expenses	49,277	16,446
	<u>100,891</u>	<u>94,120</u>

Administrative costs relate to the management of business units at Artichoke Mews and a public house adjacent to Denmark Hill railway station, offices at Morley Street and rental space at Lower Clapton Road.

6. CHARITABLE ACTIVITIES COSTS

	Charity	
	31.3.25	31.3.24
	£	£
Direct costs		
Governance and support costs (see note 7)		
£	£	£
Communities and Environmental Services	7,882,083	1,040,566
Landscape Design Services	1,299,767	93,478
Youth, Employment & Skills Training	5,163,171	833,539
Strategic Partnerships & Programmes	5,442,690	125,854
	<u>19,787,711</u>	<u>2,093,437</u>
	<u>21,881,148</u>	<u>25,918,074</u>

In 2025 the expenditure on charitable activities was £21,881,148 (2024: £25,918,074) of which £17,371,385 (2024: £11,268,221) was expenditure from unrestricted funds and £4,509,763 (2024: £14,649,853) was expenditure from restricted funds.

	Group	
	31.3.25	31.3.24
	£	£
Direct costs		
Governance and support costs (see note 7)		
£	£	£
Communities and Environmental Services	12,287,639	1,602,142
Landscape Design Services	1,314,502	121,235
Youth, Employment & Skills Training	6,243,749	979,789
Strategic Partnerships & Programmes	5,410,320	125,854
	<u>25,256,210</u>	<u>2,829,020</u>
	<u>28,085,230</u>	<u>32,257,746</u>

In 2025 the expenditure on charitable activities was £28,085,230 (2024: £32,257,746) of which £21,931,112 (2024: £16,128,343) was expenditure from unrestricted funds and £6,154,118 (2024: £16,129,403) was expenditure from restricted funds.

7. GOVERNANCE AND SUPPORT COSTS

The Trust identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs, together with the governance costs are apportioned between the thematic programme areas in the year. The costs are allocated by staff time. The breakdown of costs are as follows:

Cost type	Support costs	Governance costs	Charity	
			Total 2025	Total 2024
	£	£	£	£
Staff costs	1,321,701	29,433	1,351,134	1,358,886
Office and other costs	701,912	40,391	742,303	830,876
Total costs	<u>2,023,613</u>	<u>69,824</u>	<u>2,093,437</u>	<u>2,189,762</u>

Cost type	Support costs	Governance costs	Group	
			Total 2025	Total 2024
	£	£	£	£
Staff costs	1,531,172	29,433	1,560,605	1,554,197
Office and other costs	1,219,524	48,891	1,268,415	1,306,253
Total costs	<u>2,750,696</u>	<u>78,324</u>	<u>2,829,020</u>	<u>2,860,450</u>

8. GOVERNANCE COSTS

	Group	
	31.3.25	31.3.24
	£	£
Staff costs	29,433	27,173
Legal fees	24,391	11,066
Auditor's remuneration	24,500	24,500
Total costs	<u>78,324</u>	<u>62,739</u>

9. NET INCOMING/ (OUTGOING) RESOURCES

Net resources are stated after charging

	Charity	
	31.3.25	31.3.24
	£	£
Auditors' remuneration – audit services	16,000	16,000
Depreciation – owned assets	66,318	84,168
Operating lease payments	102,532	133,665
	<u>184,850</u>	<u>333,833</u>

	Group	
	31.3.25	31.3.24
	£	£
Auditors' remuneration – Groundwork London	16,000	16,000
Auditor's remuneration – Groundwork South	8,500	8,500
Depreciation – owned assets	80,387	98,634
Operating lease payments	164,163	222,594
	<u>369,050</u>	<u>445,728</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

No payments or remuneration were made to the Trustees during this year or the previous year. Reimbursement of trustee expenses incurred was £nil (2024: £nil).

11. STAFF COSTS

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

	Charity	
	31.3.25	31.3.24
Direct charitable	223	317
Fundraising	9	6
Governance	2	2
	<u>234</u>	<u>325</u>

	Group	
	31.3.25	31.3.24
Direct charitable	384	484
Fundraising	9	6
Governance	2	2
	<u>395</u>	<u>492</u>

Staff costs were as follows

	Charity	
	31.3.25	31.3.24 restated
	£	£
Wages and salaries	8,548,225	9,391,906
Social security costs	768,292	789,050
Pension costs	254,429	272,731
	<u>9,570,946</u>	<u>10,453,687</u>

	31.3.24 as reported	reclassified	31.3.24 restated
Wages and salaries	8,875,300	516,606	9,391,906
Social security costs	788,592	458	789,050
Pension costs	789,795	(517,064)	272,731
	<u>10,453,687</u>	<u>-</u>	<u>10,453,687</u>

The table above shows the reclassification of expenditure within the accounts for the year ended 31st March 2024. There was no impact on the net assets or the surplus for the year ended 31st March 2024.

	Group	
	31.3.25	31.3.24 restated
	£	£
Wages and salaries	13,087,060	13,715,652
Social security costs	1,094,899	1,092,912
Pension costs	435,806	413,504
	<u>14,617,765</u>	<u>15,222,068</u>

The company operated a defined contribution pension scheme. The assets of the scheme were held separately from those of the company in an independently administered fund. Contributions payable for the year were charged to the Statement of Financial Activities.

11. STAFF COSTS – cont'd

	31.3.24 as reported	reclassified	31.3.24 restated
Wages and salaries	12,953,478	(762,141)	13,715,652
Social security costs	1,092,309	(603)	1,092,912
Pension costs	1,066,254	(135,686)	413,504
	<u>15,112,041</u>	<u>110,027</u>	<u>15,222,068</u>

The table above shows the reclassification of expenditure within the accounts for the year ended 31st March 2024. There was no impact on the net assets or the surplus for the year ended 31st March 2024. The additional £110,027 relates to non-payroll staff costs which had been included within project costs in 2024.

	Charity
	31.3.25
	£
Amount of outstanding pension contributions	<u>1,609</u>

	Group
	31.3.25
	£
Amount of outstanding pension contributions	<u>31,957</u>

Number of employees whose emoluments (excluding pension contributions) exceeded £60,000 in the year:

	Charity and Group
	31.3.25
	31.3.24
£60,000 - £69,999	1
£70,000 - £79,999	0
£80,000 - £89,999	2
£90,000 - £99,999	3
	<u>6</u>
	<u>5</u>

The total employer's contributions paid to defined contribution schemes for the above higher paid employees was £32,922 (2024 - £31,740). The key management personnel of the charity, the Trust, comprise the Executive Director, Director Finance & Corporate Services, Director Youth, Employment & Skills Training, Director Communities & Environmental Services and Assistant Director, Youth. The total employee benefits of the key management personnel of the Trust were £670,632 (2024 £573,281).

12. TANGIBLE FIXED ASSETS – Group

	Freehold land and buildings £	Building improve- ments £	Fixtures and fittings £	Computer Equip't £	Motor vehicles £	Floating Classroom £
COST						
At 1 st April 2024	2,625,000	99,266	380,241	355,759	20,503	116,250
Additions	-	-	6,859	14,209	-	-
Disposals	-	-	-	(857)	-	-
At 31 st March 2025	2,625,000	99,266	387,100	369,111	20,503	116,250
DEPRECIATION						
At 1 st April 2024	585,139	86,666	361,751	293,888	20,503	60,450
Disposals	-	-	-	(167)	-	-
Charge for year	23,400	4,186	11,625	36,522	-	4,654
At 31 st March 2025	608,539	90,852	373,376	330,243	20,503	65,104
NET BOOK VALUE						
At 31 st March 2025	2,016,461	8,414	13,724	38,868	-	51,146
At 31 st March 2024	2,039,861	12,600	18,490	61,871	-	55,800

12. TANGIBLE FIXED ASSETS – Group

	Total Tangible Fixed Assets £
Cost	
At 1 April 2024	3,597,019
Additions	21,068
Disposals	(857)
At 31 March 2025	3,617,230
Depreciation	
At 1 April 2024	1,408,397
Disposals	(167)
Charge for year	80,387
At 31 March 2025	1,488,617
Net Book Value	
At 31 March 2025	2,128,613
At 31 March 2024	2,188,622

12. TANGIBLE FIXED ASSETS – Charity

	Freehold land and buildings £	Building improve- ments £	Fixtures and fittings £	Computer Equip't £	Motor vehicles £	Total £
COST						
At 1 st April 2024	1,620,000	99,266	247,941	281,657	-	2,248,864
Additions	-	-	6,859	14,209	-	21,068
Disposals	-	-	-	(857)	-	(857)
At 31st March 2025	1,620,000	99,266	254,800	295,009	-	2,269,075
DEPRECIATION						
At 1 st April 2024	504,639	86,666	230,466	219,786	-	1,041,557
Disposals	-	-	-	(167)	-	-
Charge for year	15,000	4,186	10,610	36,522	-	66,318
At 31st March 2025	519,639	90,852	241,076	256,141	-	1,107,708
NET BOOK VALUE						
At 31st March 2025	1,100,361	8,414	13,724	38,868	-	1,161,367
At 31 st March 2024	1,115,361	12,600	17,475	61,871	-	1,207,307

13. INTANGIBLE FIXED ASSETS – Group

	Software £
Cost	
At 1 April 2024	49,720
Subsidiary intangible assets at fair value	-
Disposals	-
At 31 March 2025	49,720
Depreciation	
At 1 April 2024	49,720
Disposals	-
Charge for year	-
At 31 March 2025	49,720
Net Book Value	
At 31 March 2025	-
At 31 March 2024	-

14. INVESTMENT PROPERTIES

	Group and charity			
	Freehold property	Short leasehold £	Long leasehold £	Total £
Fair Value at 1 st April 2024	2,250,000	2,896	1,250,000	3,502,896
Net loss on revaluation	-	(2,896)	-	(2,896)
Fair Value at 31st March 2025	2,250,000	-	1,250,000	3,500,000

Groundwork London operates out of a 21 Morley Street. This property is also used for investment income. It was determined during the 2019/20 year that 50% of the property should be treated as an investment property in accordance with SORP FRS 102. An external valuation of £1,875,000 from 2016 was assigned to the investment element of this property. The investment element of the property has been subsequently revalued at 31st March 2021 by Avison Young, Chartered Surveyors, with a valuation of £2.25m. In the opinion of the Trustees there have been no changes in valuation since that date.

The short and long leasehold investment properties are held in the UK. The historical cost of the properties is £373,000. Artichoke Mews was revalued for a sum of £1.25m on 31st March 2021 by Avison Young, Chartered Surveyors, on an open market value in accordance with the guidelines issued by the Royal Institute of Chartered Surveyors. In the opinion of the Trustees there have been no changes in valuation since that date.

The above represents investment at fair value in the following properties which were transferred from Groundwork Southwark and Lambeth on 1 November 2007 as follows:

Artichoke Mews (125 year lease from 1 July 1990) - £1.25m. Historical cost £183,000.

Denmark Hill (41 year lease from 5 June 1983) - £2,896. Historical cost £190,000. This lease ended 5 June 2025.

15. SUBSIDIARY COMPANIES

	Charity	
	31.3.25	31.3.24
	£	£
Shares in Group Undertakings	2	2

The charity holds 100% of the issued ordinary share capital of Groundwork Environmental Services (West London) Limited (company number 03810135) and Groundwork Environmental Services (East London) Limited (company number 04308777). Both companies are incorporated in England and Wales. Both companies were dormant during the year.

On 14th March 2017 Groundwork London became the sole member of The Groundwork South Trust Ltd, a company registered in England and Wales (registered co number 01982077, registered charity no. 293705) for no consideration and the Group has consolidated its accounts from that date.

The separate accounts for The Groundwork South Trust Limited show the following for the year ended 31 March 2025.

	31.3.25	31.3.24
	£	£
Total income for the year	9,432,485	9,361,404
Total expenditure for the year	9,384,754	9,319,720
Total surplus for the year	47,731	41,684
Aggregate amount of assets	3,308,459	3,969,560
Aggregate amount of liabilities	3,291,550	4,000,382
Aggregate deficit on unrestricted funds	16,909	(30,822)

16. NON-CURRENT ASSETS

	Charity	
	31.3.25	31.3.24
	£	£
Loans to subsidiary undertakings	-	-
	<u>-</u>	<u>-</u>

There was no Loan outstanding with The Groundwork South Trust Ltd at 31st March 2025 or 2024. Interest on outstanding loans is charged to subsidiary undertakings at 2.85% above the Bank of England base rate, monthly in arrears. The freehold property of the charity has been pledged as security on these funds.

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	31.3.25	31.3.24	31.3.25	31.3.24
			£	£
Trade debtors	3,698,411	7,527,726	4,243,772	7,480,989
Prepayments and accrued income	1,458,051	2,505,232	1,316,094	1,737,605
Other debtors	1,297,297	25,116	441,193	2,604
	<u>6,453,759</u>	<u>10,058,074</u>	<u>6,001,059</u>	<u>9,221,198</u>

18. CURRENT ASSETS INVESTMENTS

	Group and Charity	
	31.3.25	31.3.24
	£	£
Quoted market price at start of year	3,016,690	2,864,282
Additions in year at cost	-	-
Disposals in year	-	-
Net gains / (losses) on cash investments	(101,560)	152,408
	<u>2,915,130</u>	<u>3,016,690</u>
Quoted market price at year end		

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	31.3.25	31.3.24	31.3.25	31.3.24
			£	£
Trade Creditors	518,195	1,153,853	890,316	1,470,792
Taxation and social security	680,927	746,930	577,716	510,380
Deferred income	5,502,600	6,990,821	3,482,448	4,412,032
Other creditors	257,521	437,492	83,851	164,449
	<u>6,959,243</u>	<u>9,329,096</u>	<u>5,034,331</u>	<u>6,557,653</u>

20. DEFERRED INCOME

Movements in group deferred income during the year were as follows:

	Balance at 31.3.24	Amount release to incoming resources	Amount deferred in the year	Group Balance at 31.3.25
	£		£	£
Income from charitable activities	6,990,821	(6,990,821)	5,502,600	5,502,600

Net incoming group resources as shown in the Statement of Financial Activities result from the following:

	Income received	Transferred from deferred income	Group Net income
	£	£	£
Income from charitable activities	33,360,143	(5,502,600)	27,857,543

Movements in group deferred income during the year ending 31st March 2024 were as follows:

	Balance at 31.3.23	Amount release to incoming resources	Amount deferred in the year	Group Balance at 31.3.24
	£		£	£
Income from charitable activities	7,619,232	(7,619,232)	6,990,821	6,990,821

Net incoming group resources as shown in the Statement of Financial Activities during the year ending 31st March 2024 result from the following:

	Income received	Transferred from deferred income	Group Net income
	£	£	£
Income from charitable activities	39,406,942	(6,990,821)	32,416,121

Movements in charity deferred income during the year were as follows:

	Balance at 31.3.24	Amount release to incoming resources	Amount deferred in the year	Charity Balance at 31.3.25
	£		£	£
Income from charitable activities	4,412,032	(4,412,032)	3,482,448	3,482,448

20. DEFERRED INCOME – cont'd

Net incoming charity resources as shown in the Statement of Financial Activities result from the following:

	Charity		
	Income received	Transferred to deferred income	Net income
	£	£	£
Income from charitable activities	25,088,178	(3,482,448)	21,605,730

Movements in charity deferred income during the year ended at 31st March 2024 were as follows:

	Balance at 1 April 2023	Amount release to incoming resources	Amount deferred in the year	Balance at 31 March 2024
	£	£	£	£
Income from charitable activities	5,390,366	(5,390,366)	4,412,032	4,412,032

Net incoming charity resources as shown in the Statement of Financial Activities for the year ending 31st March 2024 result from the following:

	Charity		
	Income received	Transferred from deferred income	Net income
	£	£	£
Income from charitable activities	30,446,797	(4,412,032)	26,034,765

21. COMMITMENTS UNDER OPERATING LEASES

Future minimum lease payments under non-cancellable operating leases for each of the following periods:

	Group		Charity	
	31.3.25	31.3.24	31.3.25	31.3.24
	£	£	£	£
Not later than one year	190,548	169,459	129,187	88,459
Later than one year and not later than five years	204,827	105,898	186,479	69,558
Later than five years	-	-	-	-

Future minimum lease receipts under non-cancellable operating leases for each of the following periods:

	Group and Charity	
	31.3.25	31.3.24
	£	£
Not later than one year	192,843	104,890
Later than one year and not later than five years	497,292	93,086
Later than five years	118,397	-

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS – Group

	Unrestricted funds £	Restricted funds £	31.3.25 Total funds £
Fixed assets	2,128,613	-	2,128,613
Investment Properties	2,250,000	1,250,000	3,500,000
Current assets	12,511,984	397,788	12,909,772
Current liabilities	(6,791,454)	(167,789)	(6,959,243)
	<u>10,099,143</u>	<u>1,479,999</u>	<u>11,579,142</u>

	Unrestricted funds £	Restricted funds £	31.3.24 Total funds £
Fixed assets	2,188,622	-	2,188,622
Investment Properties	2,250,000	1,252,896	3,502,896
Current assets	15,204,598	445,157	15,649,755
Current liabilities	(9,118,939)	(210,158)	(9,329,096)
	<u>10,524,281</u>	<u>1,487,894</u>	<u>12,012,176</u>

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS – Charity

	Unrestricted funds £	Restricted funds £	31.3.25 Total funds £
Fixed assets	1,161,367	-	1,161,367
Non-current assets	-	-	-
Investment Properties	2,250,000	1,250,000	3,500,000
Current assets	11,537,409	397,788	11,935,197
Current liabilities	(4,866,542)	(167,789)	(5,034,331)
	<u>10,082,234</u>	<u>1,479,999</u>	<u>11,562,233</u>

	Unrestricted funds £	Restricted funds £	31.3.24 Total funds £
Fixed assets	1,207,307	-	1,207,307
Non-current assets	-	-	-
Investment Properties	2,250,000	1,252,896	3,502,896
Current assets	13,445,292	445,157	13,890,448
Current liabilities	(6,347,495)	(210,158)	(6,557,653)
	<u>10,555,103</u>	<u>1,487,895</u>	<u>12,042,998</u>

23. THE FUNDS OF THE GROUP - 2025

	Brought forward 1.4.24	Incoming Resources	Resources Expended	Net gains / (losses) on invest- ments	Transfers In / (Out)	Carried Forward 31.3.25
Unrestricted Funds						
General funds	6,398,052	17,088,153	(17,472,276)	-	22,814	6,036,743
Groundwork South	(30,822)	7,199,894	(7,497,207)	-	345,044	16,909
Inter Group trans.	-	(2,937,480)	2,937,480	-	-	-
Total General funds	6,367,230	21,350,567	(22,032,003)	-	367,858	6,053,652
Designated funds	2,115,361	-	-	-	(10,000)	2,105,361
Fair value reserve	2,041,690	-	-	(101,560)	-	1,940,130
Total Unrestricted Funds	10,524,281	21,350,567	(22,032,003)	(101,560)	357,858	10,099,143
Restricted Funds						
Revaluation fund	1,020,672	-	-	(2,896)	-	1,017,776
Property fund	467,223	-	-	-	(5,000)	462,223
Programme funds	-	4,517,577	(4,509,763)	-	(7,814)	-
Groundwork South	-	2,232,591	(1,887,547)	-	(345,044)	-
Inter Group trans	-	(243,192)	243,192	-	-	-
Total Restricted Funds	1,487,895	6,506,976	(6,154,118)	(2,896)	(357,858)	1,479,999
Total Funds	12,012,176	27,857,543	(28,186,121)	(104,456)	-	11,579,142

23. THE FUNDS OF THE GROUP – 2024

	Brought forward 1.4.23	Incoming Resources	Resources Expended	Net gains/ (losses) on invest- ments	Transfers In / (Out)	Carried Forward 31.3.24
Unrestricted Funds						
General funds	6,360,481	11,645,807	(11,362,341)	-	(245,895)	6,398,052
Groundwork South	(72,506)	7,352,868	(7,337,869)	-	26,685	(30,822)
Inter Group trans.	-	(2,477,747)	2,477,747	-	-	-
Total General funds	6,287,975	16,520,928	(16,222,463)	-	(219,210)	6,367,230
Designated funds	2,125,361	-	-	-	(10,000)	2,115,361
Fair value reserve	1,889,282	-	-	152,408	-	2,041,690
Total Unrestricted Funds	10,302,618	16,520,928	(16,222,463)	152,408	(229,210)	10,524,281
Restricted Funds						
Revaluation fund	1,040,389	-	-	(19,717)	-	1,020,672
Property fund	472,223	-	-	-	(5,000)	467,223
Programme funds	-	14,388,958	(14,649,853)	-	260,895	-
Groundwork South	-	2,008,536	(1,981,851)	-	(26,685)	-
Inter Group trans	-	(502,301)	502,301	-	-	-
Total Restricted Funds	1,512,612	15,895,193	(16,129,403)	(19,717)	229,210	1,487,895
Total Funds	11,815,230	32,416,121	(32,351,866)	132,691	-	12,012,176

THE FUNDS OF THE CHARITY -2025

	Brought forward at 1.4.24	Incoming Resources	Resources Expended	Net gains / (losses) on investments	Transfers In / (Out)	Carried Forward at 31.3.25
	£	£	£	£	£	£
Unrestricted Funds						
General funds	6,398,052	17,088,153	(17,472,276)	-	22,814	6,036,743
Designated funds	2,115,361	-	-	-	(10,000)	2,105,361
Fair value reserve	2,041,690	-	-	(101,560)	-	1,940,130
Total Unrestricted Funds	10,555,103	17,088,153	(17,472,276)	(101,560)	12,814	10,082,234
Restricted Funds						
Revaluation fund	1,020,672	-	-	(2,896)	-	1,017,776
Property fund	467,223	-	-	-	(5,000)	462,223
Programme funds	-	4,517,577	(4,509,763)	-	(7,814)	-
Total Restricted Funds	1,487,895	4,517,577	(4,509,763)	(2,896)	12,814	1,479,999
Total Funds	12,042,998	21,605,730	(21,892,039)	(104,456)	-	11,562,233

THE FUNDS OF THE CHARITY -2024

	Brought forward at 1.4.23	Incoming Resources	Resources Expended	Net gains / (losses) on investments	Transfers In / (Out)	Carried Forward at 31.3.24
	£	£	£	£	£	£
Unrestricted Funds						
General funds	6,360,481	11,645,807	(11,362,341)	-	(245,895)	6,398,052
Designated funds	2,125,361	-	-	-	(10,000)	2,115,361
Fair value reserve	1,889,282	-	-	152,408	-	2,041,690
Total Unrestricted Funds	10,375,124	11,645,807	(11,362,341)	152,408	(255,895)	10,555,103
Restricted Funds						
Revaluation fund	1,040,389	-	-	(19,717)	-	1,020,672
Property fund	472,223	-	-	-	(5,000)	467,223
Programme funds	-	14,388,958	(14,649,853)	-	260,895	-
Total Restricted Funds	1,512,612	14,388,958	(14,649,853)	(19,717)	255,895	1,487,895
Total Funds	11,887,736	26,034,765	(26,012,194)	132,691	-	12,042,998

24. THE FUNDS OF THE CHARITY

Unrestricted Funds

General Funds

Funds available are sufficient to permit the company to continue in operation in the short term given the continued support of the funders. Should this support not continue in the longer term, further financial support would need to be sought to replace it. Where funds which are regarded as restricted are awarded based on outputs rather than actual costs any funds not applied against directly identified costs are transferred at the year end to unrestricted funds to cover overhead costs not directly recharged. Income that has not been fully delivered or earned is deferred.

Designated Funds

The Designated Fund represents funds transferred from the general fund for the purpose of Groundwork London development. This includes the cost of the Morley Street property less the property depreciation charges.

Fair Value Reserve

The Fair Value Reserve is a reserve for the unrealised gains and losses on the charity's unrestricted fixed asset investments and investment property revaluations.

Groundwork South

These financial statements include the results of The Groundwork South Trust Ltd (registered co number 01982077, registered charity no. 293705) following Groundwork London becoming sole company member on 14th March 2017. The funds held in the group accounts represent the general funds of The Groundwork South Trust Ltd at 31st March 2025. Funds are transferred from unrestricted to restricted at the year-end on the basis that no restrictions exist on the income and expenditure recognised.

Restricted Funds

Revaluation Fund

A revaluation fund is required by the Companies Act 2006 where investment properties are revalued subsequent to their acquisition, or in the case of assets held prior to the mergers, transfer to the control of Groundwork London. The balance shown on the revaluation reserve in the accounts, represents the difference between the revaluation of the investment in the Denmark Hill property (in 2003) and its original cost.

Property Fund

The investment property fund represents the valuation of the properties. The properties are the public house at Denmark Hill Station, the workshops and flats at Artichoke Mews and the property at Lower Clapton Road.

The properties at Denmark Hill and Artichoke Mews are intended to be set aside so that the returns are used for the day-to-day expenses of the charity in relation to projects undertaken within the London Borough of Southwark. The property at Lower Clapton Road is a freehold property transferred from Groundwork East London. The trustees have set aside an amount equivalent to the value of the investment properties as designated funds. The revaluation surplus following the most recent valuation of the properties for Denmark Hill is held in a separate Revaluation Fund.

The investment income less the investment management costs are allocated to a "Property" restricted fund.

Programme Funds

Grants, which are received for specific programmes (Communities & Young People, Urban Landscapes and Open Space, Employment & Skills Training and Environmental Services), are accounted for as restricted funds. The balances on restricted funds arise from grants received for these programmes on which some expenditure is still to be incurred in the coming financial year. Where funds which are regarded as restricted are awarded based on outputs rather than actual costs, any funds not applied against directly identified costs are transferred at the year end to unrestricted funds to cover overhead costs not directly recharged. There were no restricted balances on these grant funded programmes at 31st March 2025.

Groundwork South

Income which is received for specific programmes (Greener Living and Working, Youth and Employment, Parks and Open Spaces) are accounted for as restricted funds. These financial statements include the results for the year of The Groundwork South Trust Ltd (registered co number 01982077, registered charity no. 293705) following Groundwork London becoming sole company member on 14th March 2017. The balance of funds in the group accounts at 31st March 2025 represent the total funds held by The Groundwork South Trust Ltd at this date.

25. RECONCILIATION OF CONSOLIDATED NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group		Charity	
	31.3.25	31.3.24	31.3.25	31.3.24
	£	£		
Net movement in funds	(433,034)	196,946	(480,765)	155,262
Investment income	(415,393)	(398,994)	(415,393)	(398,994)
Depreciation	80,387	98,634	66,318	84,168
Decrease/ (Increase) in debtors	3,604,315	(2,176,531)	3,220,139	(2,234,346)
Net loss/ (gains) on cash investments	104,456	(132,691)	104,456	(132,691)
Decrease in creditors	(2,369,853)	(193,829)	(1,523,322)	(534,866)
Cash flows from operating activities	570,878	(2,606,465)	971,433	(3,061,467)

26. Analysis of changes in net debt

	31.3.24	Cash flows	Other non-cash change	Group 31.3.25
	£	£	£	£
Cash and Cash equivalents				
Cash	2,574,990	(965,893)	-	3,540,883
Overdrafts	-	-	-	-
Cash equivalents	-	-	-	-
	<u>2,574,990</u>	<u>(965,893)</u>	<u>-</u>	<u>3,540,883</u>
Borrowings				
Debt due within 1 year	-	-	-	-
Debt due after 1 year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>2,574,990</u>	<u>(965,893)</u>	<u>-</u>	<u>3,540,883</u>

	31.3.24	Cash flows	Other non-cash change	Charity 31.3.25
	£	£	£	£
Cash and Cash equivalents				
Cash	1,652,560	(1,366,448)	-	3,019,008
Overdrafts	-	-	-	-
Cash equivalents	-	-	-	-
	<u>1,652,560</u>	<u>(1,366,448)</u>	<u>-</u>	<u>3,019,008</u>

	At 31.3.24 £	Cash flows £	Other non- cash change £	At 31.3.25 £
Borrowings				
Debt due within 1 year	-	-	-	-
Debt due after 1 year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>1,652,560</u>	<u>(1,366,448)</u>	<u>-</u>	<u>3,019,008</u>

	31.3.25	Charity 31.3.24
	£	£
Financial Assets		
Financial assets measured at fair value through income and expenditure	2,915,130	3,016,690
Financial assets that are debt instruments measured at amortised cost	7,703,973	9,136,153
	<u>10,619,103</u>	<u>12,152,843</u>
Financial Liabilities		
Financial liabilities measured at amortised cost	(1,551,883)	(2,145,621)
	<u>9,067,220</u>	<u>10,007,222</u>
	31.3.25	Group 31.3.24
	£	£
Financial Assets		
Financial assets measured at fair value through income and expenditure	2,915,130	3,016,690
Financial assets that are debt instruments measured at amortised cost	8,536,591	10,127,832
	<u>11,451,721</u>	<u>13,144,522</u>
Financial Liabilities		
Financial liabilities measured at amortised cost	(1,456,643)	(2,338,275)
	<u>9,995,078</u>	<u>10,806,247</u>

Financial liabilities measured at amortised cost comprise all creditor balances except deferred income.

Accounts

Annual Report and Financial Statements 2023/24

Groundwork London

**(A company limited by guarantee)
18 – 21 Morley Street
London
SE1 7QZ**

Registered Charity No. 1121105
Registered Company No. 04212532 (England and Wales)

Contents

	Page
Report of the Trustees	3
Chair's Report	4
About Groundwork	5
Objectives and Activities	6
Public Benefit Statement	6
Strategic Report	7
Achievements and Performance	8
Financial Review	15
Reserves Policy	15
Investment Policy	15
Section 172 Statement	16
Future Plans 2024/25	17
Principal Risks and Uncertainties	20
Financial Instruments	21
Energy and Carbon statement	21
Employees	21
Reference and Administrative Details	22
Structure, Governance and Management	23
Statement of Trustees' Responsibilities	25
Independent Auditors' Report	26
Consolidated Statement of Financial Activities	31
Charity Statement of Financial Activities	32
Consolidated Balance Sheet	33
Charity Balance Sheet	34
Consolidated Cash Flow Statement	35
Charity Cash Flow Statement	36
Notes to the Financial Statements	37-56

Report of the Trustees for the year ending 31 March 2024

The trustees are pleased to present their annual directors' report together with the consolidated financial statements of the charitable company and its subsidiaries for the year ending 31 March 2024 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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).

Groundwork London's operational focus is primarily on London; the City of London and the 32 London Boroughs. Groundwork London is also the sole company member of Groundwork South whose operational focus is on the South East and South West regions of England, and that part of the District of Three Rivers within the Colne Valley Regional Park. Where specialist services are required, these are delivered across both Trust areas by specialist teams.

Both Trusts have a Board of Trustees who are principally responsible for the strategic oversight and governance of Groundwork activities within their operational areas. Each Trust has its own business plan defining the activities it plans to deliver in its area of operation. Each Trust will produce an Annual Report and Financial Statements. This report includes the consolidated financial statements of Groundwork London and its subsidiaries, details of charitable activities within the two operation areas will be described separately within each company's annual report.

Chair's Report

Groundwork London works with communities across the capital to transform their lives and the places they live. We are operating in a city facing great social, economic and environmental challenges.

Over 2.5 million Londoners are living in deprivation, with many struggling in areas such as economic inequality, social stress, health and wellbeing, food and fuel poverty, environmental quality, and the impacts of a changing climate. Our work supports these diverse and vulnerable communities to find practical, long-term solutions to many such challenges.

Sadly, the need for our work continues to grow as communities and individuals struggle under these pressures. Last year, despite the challenges to the delivery of services, we exceeded our business plan targets significantly delivering over 600 projects to a value of £26.03m.

We did not do this on our own. The strength of our approach lies in the relationships we build and maintain with our funders and partners across the public, private, and voluntary sector, and within the communities themselves.

We offer our sincere thanks and appreciation to our staff, trustees, partners, and volunteers for all the hard work and passion they continually give to everything they do. It reminds us that we all share a vision for the future: where every Londoner can thrive and benefit from a greener, safer, healthier, and more equitable city.

We are pleased to present our 2023/24 Annual Report, demonstrating the difference we've made to the lives of thousands of Londoners.

As a member of the Groundwork Federation, we are proud to support our neighbouring Trust Groundwork South as our wholly owned subsidiary. Groundwork South has changed significantly in the last three years to ensure efficient and effective delivery of high quality services across the South East and South West of England, and will present its own Annual Accounts.

Whilst we take this time to reflect on our successes to date, it's important to also look towards the future. We know that the social, economic and environmental impacts have been immense and will be felt for many years to come, and that the poorest of our communities will be the most greatly affected.

We will continue to create and deliver services to meet the changing needs of London and its most in need communities, by working to three key strategic objectives:

- **Improving people's prospects** - delivering support to increase the confidence, skills, well-being, and employability of young people and adults.
- **Creating better places** - supporting communities to work together in making their neighbourhoods safer, healthier, greener, and more resilient to climate change; and enabling their active involvement in the decision-making concerning the services in their area.
- **Promoting greener living and working** - helping people, organisations, and businesses to learn more about their environmental impact and how they can behave more sustainably; addressing food and fuel poverty; and improving health and wellbeing.

We thank you all and look forward to working with you.



Alan Smith
Chairman

About Groundwork

Vision

Our vision is of a society of sustainable communities which are vibrant, healthy and safe, which respect the local and global environment and where individuals and enterprise prosper.

Mission

Our mission is to transform lives and places in communities in need.

Our core values:

- **equality and diversity** - valuing differences and treating everybody and all things with respect
- **innovation and learning** - always looking for new and better ways of working
- **subsidiarity** - making decisions at a level as close as possible to the communities we serve
- **integrity and professionalism** - maintaining high personal and professional standards
- **partnership** - working alongside communities, public bodies, higher and further education institutions, private companies and other voluntary sector organisations to deliver maximum benefits to people, places and businesses
- **sustainability** - respecting nature's limits and the needs of future generation

Our Approach

- **We operate within the Federation of Groundwork Trusts** - sharing learning and identifying local opportunities to national programmes, as well as collectively mobilising practical community action to accumulate impact on poverty and environmental issues right across the UK.
- **We work with others** - we collaborate with individuals, communities, Local Authorities, the Mayor of London and other public sector organisations, regional bodies, the private sector and the voluntary/charitable sector to deliver positive change in London.
- **We join things up** - we bring our skills and expertise and forge strong partnerships that enable us to deliver maximum impact for communities and maximum value for money for those who help us do it.
- **We support those in most need** - we provide targeted and inclusive support tailored to address the specific needs of vulnerable, excluded or diverse communities and tackle material hardship by building skills and capacity.
- **We innovate** - we pilot and test new solutions and approaches. We embed successful practice in our future work and share our learning with others.
- **We measure our impact** – we focus the time and resources, as well as work with others, to really understand the impact of our work and the social value we are achieving.

Objectives and Activities

Charitable Objectives

Groundwork London's charitable objectives are set down in its Articles of Association, they include:

- to advance public education in environmental matters and other ways of better conserving, protecting and improving the same wheresoever;
- to advance the education of the public in subjects relating to sustainable development and the protection, enhancement and rehabilitation of the environment and promote study and research in such subjects;
- to promote the efficiency and effectiveness of charities in the direct furtherance of their objects; And within the area defined as London, the South East and South West regions of England, and that part of the District of Three Rivers within the Colne Valley Regional Park;
- to promote the conservation, protection and improvement of the physical and natural environment
- to provide facilities in the interest of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for those living or working in or resorting to the area;
- to promote for the public benefit urban and rural regeneration in areas of social and economic deprivation;
- to promote sustainable development for the benefit of the public;
- to promote the efficiency and effectiveness of the voluntary sector for the benefit of the public by the provision of information, support and advice to local community based groups.

Strategic Objectives

To deliver our charitable objectives we:

- Create and deliver programmes and projects to meet the needs of local communities:
 - Improving people's prospects
 - Promoting greener living and working
 - Creating better places
- Build productive relationships and partnerships, influence and shape policies and share learning
- Maintain a strong, viable business, achieving excellence in service delivery

Public Benefit Statement

All Groundwork London's activities contribute to the achievement of our strategic aims & objectives and are undertaken to further our charitable purposes for the public benefit. Our main activities and who we try to help are described below. We review our aims, objectives and activities each year in the Business Planning process. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are established to help. The review also helps us ensure our aim, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Grant Making Policy

The Trust administers applications for various grants schemes on behalf of partnerships with local authorities and other Public Agencies. The Applications are reviewed against specific criteria and business objectives, which are set out by the grants panels and awarded to constituted groups.

Strategic Report

Working with Groundwork South

Groundwork London is a member of the Groundwork Federation, together we are working locally and nationally to transform lives in the UK's most disadvantaged communities. In 2017 Groundwork London agreed to provide financial support and to become the sole company member of Groundwork South, to enable the Groundwork South Trust to continue to deliver Groundwork services in areas of need.

Groundwork South continues to operate with its own identity, its own geographical focus and with its own Board of trustees as an independent charity and company limited by guarantee. We are proud to support the Trust which has undergone significant change to ensure the effectiveness and efficiency in its operations whilst continuing to deliver high quality services across the South East and South West of England.

In future years, Groundwork South will continue to operate as an independent Trust, and will benefit from both Trusts working together through executive, finance and support services functions. Groundwork South, does not currently deliver all 'Groundwork services' across its area, in future, highly specialised services will be provided with leadership from Groundwork London whilst delivery will continue to be embedded in local areas; and delivered by the Groundwork South team.

Groundwork South has produced its own annual accounts for 2023/24. Their annual report and accounts demonstrate the considerable contribution the Trust is making to Changing Places and Changing lives in the South East and South West of England.

Financial Review

Groundwork London has determined to voluntarily provide a Statement of Financial Activity for 2023/24, as well as the required consolidated accounts for Groundwork London and Groundwork South (as its wholly owned subsidiary) for the same period.

The consolidated statement of financial activities for Groundwork London and for Groundwork South for the year ended 31st March 2024 shows a total income of £32.416m. The consolidated balance sheet shows total Funds of £12.012m of which £3.603m is designated and restricted reserves.

Groundwork London's subsidiary, Groundwork South, has a surplus at 31 March 2024 of £41,684. Groundwork South made financial losses in the years in and prior to 2018/19. Following a restructure of governance and management in 2018, GWS is now operating at a surplus with £41,684 confirmed in the statutory accounts for the year ending 2023/24 and previously £79,537 in 2019/20, £8,952 in 2020/21, £191,906 in 2021/22 and £211,273 in 2022/23. This has reduced the balance sheet deficit to £30,822 at 31st March 2024.

GWS is committed to retaining surpluses until GWS has 180 days of unrestricted reserves which we estimate will take 2 years. As explained in the Trustee Report, by virtue of the loans from GWL, GWS continues to operate as a going concern.

The remainder of this Strategic report focuses on Groundwork London.

Related Party Transactions

The Trust is supported by Groundwork UK and the national Federation of Groundwork Trusts and has strong links and collaborative working arrangements with other Trusts within the Federation. Each Trust is an independent charity, but they all share a similar ethos. Each Trust is responsible for its own management and administration, and for developing and delivering projects, that meet its objectives and core purposes.

The SORP determines that a charity is not necessarily related to another charity simply because a particular person happens to be a trustee of both. It will only be related if one charity subordinates its interests to the other charity in any transaction because of this relationship. The Federation of Groundwork Trusts and other Groundwork Trusts are therefore not considered to be related parties under the definition of the SORP and the grants made by the Federation to individual Trusts do not require separate disclosure.

Strategic Report

Groundwork London's principal focus is on delivering activity to meet the needs of London and Londoners.

Achievements and Performance

Groundwork was established over thirty five years ago, at a time of political, social, and economic challenge, as an experiment to help communities find their own answers to the problems they face. Today, we face a myriad of similar, emerging, and new challenges, where the need for Groundwork services and support is even more critical.

With London's population approaching 10 million and with the number of Londoners living in poverty estimated to be 2.3 million people, and rising as a result of the current cost of living crisis, our staff teams have worked relentlessly to deliver much needed services to communities in need. Last year, we responded by growing and delivering over 600 projects, targeting the most disadvantaged, hardest hit communities and continuing to adapt our ways of working in response to the political, social, economic, and ever-increasing environmental challenges.

Our work was delivered in partnership with Local Authorities, Housing Associations, London regional agencies, the private sector, and other voluntary organisations. We have progressed positive working relationships within the London Boroughs of Haringey, Camden, Croydon, Barnet, Brent, Islington, Hammersmith & Fulham, Ealing, Hounslow, Wandsworth, Lambeth, Southwark, Lewisham, Newham, Hackney, Waltham Forest, Enfield, the Royal Boroughs of Kensington & Chelsea, Kingston-Upon-Thames and Greenwich, and the City of Westminster.

We delivered 31 projects involving Housing Association partners last year, reflecting the needs of residents supported by Housing Associations. Our plans to continue building new and strengthening existing relationships with corporate partners, through the employee volunteering route, have continued to grow as we increased our engagement with 83 corporate organisations.

We continued to build on productive relationships with regional bodies, and in particular the Greater London Authority (GLA), delivering 52 programmes involving regional support and delivery agencies. As part of our strategic work, we continued to serve on the Cross River Partnership Board, the All London Green Grid Steering Group, deliver the Greenspace Skills Hub on behalf on the Mayor's academy programme and our Community Interest Company – *Our ParkLife* with Equans, Renaisi and Idverde.

Internally, we delivered several business performance and improvement measures. We retained our environmental management standard ISO14001, which we have held since 2008; and maintained our Health & Safety standard CHAS; and Achilles which covers quality, health and safety, environmental sustainability/CSR and carbon management. We also maintained our accreditation as 'Disability Confident' in our recruitment practises. We retained our Matrix accreditation in recognition of the advice and guidance we offer our trainees and volunteers; and we have maintained our Volunteer Centre and Investors in Volunteering accreditations.

In support of our staff team we continued to provide the Health Shield Cash plan, which enables staff to reclaim costs against certain essential health services. We have maintained our wellbeing notice board featuring resources such as the Groundwork Employee Assistant Programme with helplines, counselling, online resources, and staff have contributed articles and photos about their work and interests to our regular staff newsletter. We have in place a Mental Health First Aid network to support both our staff and volunteers. We have also continued to offer mental health awareness training to many senior managers and other staff across the Trust.

In 2020, we agreed on our new Groundwork London 2025 strategy through Trust-wide engagement, seeking the input, views, and ideas from Trustees and our colleagues across the organisation. This strategy underpins our annual Business Planning and is reflected in the future plans section of this report. In 2024 we will begin a new Trust-wide programme of engagement, seeking the input, views, and ideas from Trustees and our colleagues across the organisation as we prepare our new Groundwork London 2030 strategy.

In 2022, we published our equity, diversity and inclusion survey and action plan. Overall, the findings were positive and show most participants agree or strongly agree that Groundwork is supporting equity, diversity, and inclusion. There were also lessons to be learnt and areas highlighted where improvements can be made. Our action plan focuses on 3 key areas: raising consciousness and actions for equity, diversity & inclusion; diversity in our employees and at senior levels; communications. In 2023/24 we reconvened our Training Task and Finish groups which resulted in improvements to our training & development, and induction practices including co-designing a training charter, reviewing and refreshing induction processes and producing a range of bite size training resources.

We embedded training including EDI, bullying & harassment AND equal opportunities at induction and in our annual training programme. We created more opportunities for informal get togethers to meet and learn about each other and the organisation; this has included promoting monthly social events – including the annual picnic and BBQ; and promoting activity groups – running and yoga. The newly established Senior Leadership team continues to explore and activate actions to ensure that Equity, Diversity and Inclusion is the thread that runs through our internal policies and procedures as well as through project development and delivery. We have improved our communications through our monthly internal newsletter which encourages the celebration of cultural events and activities proposed by colleagues. We have also reestablished a range of forums, office meetings are held monthly in all our main offices and we have established an all staff on-line forum, bi-monthly enabling all staff to join for discussion and sharing of information.

We set up a cross-team Environment Group to support the delivery of our Environmental Management System (and ISO14001 accreditation objectives) as well as to report and monitor our carbon emissions. We have committed to create and publish a carbon reduction plan by March 2025. We also commenced a new partnership with the University of East London to help support the Trust in carbon credit and Biodiversity Net Gain opportunities.

From a financial perspective we continued to operate our fiscal management based on full cost recovery, achieving our target staff utilisation rate of 84% and total indirect staff and overheads at 8% of total income.

We continued to make the most of revenues from property rental income and applying these valuable resources to new programme innovation and development.

We have delivered an incredible range of work during the year, our achievements, described below, are a result of the exceptional time and effort of our colleagues across the Trust being innovative and determined to continue to support individuals and communities in need.

Improving people's prospects – *delivering support to increase the confidence, skills, well-being, and employability of those furthest removed from the labour market, in particular, young people.*

We believe that supporting people into long-term, sustainable work brings them the economic and social stability that can be life changing and is a key factor contributing to strong and thriving communities. This is why we deliver employment and skills programmes in London. Through these programmes, we help hundreds of Londoners every year to grow in confidence, gain new skills, and take that step into work. We work with young people, people with disabilities or health conditions, refugees, and many other Londoners who are facing barriers to employment.

In partnership with our private and public sector employers, we deliver training and pre-employment programmes designed to increase the confidence, skills, and overall employability of Londoners facing the greatest barriers to employment.

2023/24 was a challenging period for the Employability sector with the cessation of EU funding at the end of 2023. Across our employment programmes in 2023/24 we registered just under 1,000 clients onto our programmes, over 50% achieved a positive progression, of which 318 gained paid employment.

We continued to focus on jobs in the green economy. The Green Space Skills Hub is part of the Mayor's Green Skills Academy to deliver the commitments of the London Green Spaces Commission using climate adaptation and mitigation to create engagement, green jobs, and opportunities for wider training and skills. The Green Space Skills Hub website, features the Jobs Board which continues to be promoted through the Department of Work & Pension and Job Centre Plus as well as partners, employers and stakeholders. The Hub and Jobs Board are also promoted through social media, monthly newsletters and Parks for London. All these efforts are aimed at raising awareness across London of job opportunities within the green space sector.

Our Green Teams continued delivery of new community green spaces in five London boroughs with a 2nd year funded by Segro. We continued to receive considerable funding from Grosvenor Estate's Greener Futures programme to run our Westminster Green Team and to fund the wages of trainees on the Green Team and Westminster Wheels. Westminster Wheels is our training, and bike refurbishment project had its first successful year without grant support from Westminster City Council. It achieved sales of £230k against its target of £220k. This is split between: 2nd hand bike sales; servicing customer bikes; sales of parts and accessories. 8 of the 10 trainees supported in the shop secured work after completing their placements. We donated 50 bikes through our contract with public health; delivered bike servicing to PNB Parabis and at Marylebone Station with funding from Chiltern railways.

Groundwork's mental health and well-being services for young people aged 0-25 in Southwark have experienced significant growth during 2023/24. The Mental Health Support Team (MHST) doubled in size, now comprising 24 full-time practitioners working across 24 schools. These practitioners provide therapeutic support and interventions to young people, schools, and parents/carers. MHST received 329 referrals and worked with 279 young people and parents. 97.8% of the participants that completed the end of intervention survey, replied Certainly True or Partly True to the question "If a friend needed this sort of help, I would suggest to them to come here".

The Nest has expanded its services through secured funding, including the delivery of a Strengthening Fathers Programme in partnership with the grassroots organisation Bridge the Gap. This program specifically supports young fathers who have experienced the criminal justice system, helping them reconnect emotionally and strengthen family relationships.

Additionally, The Nest secured National Lottery's Million Hours Funding to provide essential support to young people at risk of anti-social behaviour. The program includes a variety of personal development activities, co-produced with young people, ensuring that interventions are both relevant and empowering.

The Nest School Engagement Team also received continued funding from Southwark, recognising its work with schools and young people. The team focuses on class-based interventions for low-level mental health issues, transition support for Year 6 to Year 7, and reducing long-term absenteeism. The team worked with 26 schools (additional statistics to follow).

We also launched a Youth Mental Health Forum, giving young people agency and influences on all the contracts we deliver across team. This participatory approach ensures that programs reflect the real needs of the community and has opened opportunities for peer-to-peer delivery, where young people facilitate workshops for parents and carers. By empowering young people to lead and co-deliver services, Groundwork ensures that interventions remain relevant, engaging, and impactful.

We expanded our mental health offer into Waltham Forest with the launch of The Roots, a two-year contract designed to provide mental health support to young people (aged 5-17) and their families with mild to moderate needs. The service collaborates with local communities and services such as schools, youth groups, and GP surgeries. Key features include:

- Individual and group support, offering guidance and therapy to help with anxiety, depression, stress, and trauma.
- Collaboration with professionals to connect young people with broader mental health programs within schools and community settings.
- Referral pathways to ensure young people with complex needs are directed to specialist services such as CAMHS.

Groundwork's Leadership Project, funded by the Berkley Group, delivered a 14-week personal development and social action program aimed at empowering participants to positively impact their community. Working with 105 young people, the program saw 100% of participants achieve a positive or improved outcome in at least two learning outcomes, with 85% reporting improved leadership skills, 86% increasing employability skills for the future green economy, and 76% reporting improved resilience and mental well-being. Additionally, 95% of participants felt they had better access to green spaces, and **87% reported increased confidence in effecting change on issues that matter to them.

Across our mental health contracts, we delivered 2,601 one-to-one sessions over 3,648 clinical hours, alongside 600 group sessions with a total of 16,237 attendees this includes young people, parents and carers as well as professionals that work with young people extending the reach of our services and support to wider numbers.

In 2023/24, we also launched the Trusted Youth Allies Project, commissioned by the Mayor's Office for Policing and Crime (MOPAC). This pan-London initiative provides support to young victims of crime (aged 7-25) through a coordinated network of Trusted Adults. These adults, who have existing relationships with young people, create safe spaces where young individuals can discuss their concerns and receive emotional support. The program fosters communication and provides training for trusted adults, empowering them to confidently handle sensitive disclosures from young victims of crime (statistics to follow).

Groundwork also received funding through the INGEUS Consortium to deliver the NCS Away from Home Residential Scheme. Groundwork organized and delivered four 5-day residentials at Oxfordshire's Woodland Outdoor Education Centre. These experiences, which served 129 young people aged 16-17, were designed to grow employability and life skills through personal development activities and adrenaline-packed adventures.

Groundwork London's community team specialise in working in partnership to develop community resilience, increase sustainability, and enhance quality of life.

Our Volunteer Centres in Kingston and Barnet continue to evolve and grow, our work continues to support prospective volunteers identify volunteering opportunities in their community and build the capacity of volunteer involving organisations to develop good volunteer management practise. Our work often focuses on target audiences and partnerships. In Kingston we have focused on supporting disabled residents, refugees and those out of work to access volunteering. In Barnet through partnership working with Young Barnet Foundation, Inclusion Barnet and the council, Groundwork London has established the Barnet Together Alliance securing long-term funding for volunteering provision Borough-wide.

Additionally, through the Barnet Together partnership, Groundwork London has led the Barnet Food Hub operations since November 2020. The hub focuses on distributing surplus food to 15 foodbanks in Barnet and 10 community-based food aid organisations each week, all working to reduce food insecurity for residents and households in the borough. We continue to lead food hub operations for the Waltham Forest food Hub. During the year, Groundwork London distributed over 259,340 kgs of surplus food. This is the equivalent of more than 617,470 meals and 110 tonnes of CO2 emissions avoided.

Promoting greener living & working – helping people /and businesses learn more about their environmental impact and act responsibly to reduce natural resource use and improve their health.

Fuel poverty continues to affect London's most vulnerable residents, with some GLA modelling showing that it could potentially impact as many as 24% of London households. It's families with young children, the elderly and those with existing health conditions that suffer the most acute effects of this through mental stress, poor health, and wellbeing.

During 2023/24 Green Doctors supported over 2500 households in fuel poverty, helping save a total of £516,160 through our energy saving advice and free energy saving measures. On average we save household approximately £203 per year on their energy bills.

In addition to the vital financial savings which helped people through the cost of living crisis we have supported Londoners to live in more sustainable homes by providing 8,930 free energy saving measures (LED Light Bulbs, Radiator Panel, draught proofing etc.) and supporting 217 households to apply for larger energy efficiency improvements (Insulation, heat pumps, efficient boilers) to their homes. This has helped save London Households 1489 tonnes of CO2 emissions.

Winter 2023/24 was a challenging situation for many London Households, we observed a high level of debt being built up by households over the winter, collectively the households we supported had a total of £594,369 debt with their energy supplier. This high level of debt will be difficult for households to pay off over the upcoming summer period putting them in an even more challenging position when winter 24/25 starts.

London could face severe water stress within the next two decades, with climate change bringing hotter, drier summers and less predictable rain patterns – while water usage and population growth is also increasing in the capital. One of the solutions is for domestic properties and businesses to use, and waste, less water. Through a combination of behaviour change, water saving device fitting and leak fixes, we delivered in partnership with Groundwork South over 30,000 visits to customers of Thames Water (4613), Affinity Water (21,503), Wessex Water (4133) to reduce their water consumption.

Our Thames Water funded 'Smarter Business Visit' programme in London, delivered 10.5ML per day water savings, focusing extensively on schools and other high footfall venues in the capital. Other non household water efficiency visits delivered in partnership with Groundwork South included South West Water, achieving 8.15ML per day water savings, 8 pilot Non-Household projects with Southern Water and 30 Schools visited for Wessex Water.

We have also been supporting Southern Water, Wessex Water and Thames Water on various water butt and stormwater device installation trials at domestic properties to support their challenges with storm overflow events, and we expect this work to continue significantly in the future. The Thames Water programme, 'Community Centric Rainwater Management' delivered across LB Lambeth, LB Waltham Forest and Cirencester won the 'Regeneration & Retrofit' award at the 2024 'Susdrain' awards.

Our community reuse hub, The Loop Grahame Park Estate, which we set up in 2015 as part of the EU LIFE funded REPURPOSE programme continue to provide essential services for local communities. Again, our services, collecting unwanted furniture and household appliances from residents' homes, which are repaired and sold on to residents at low cost, have resumed. The Loop @ Grahame Park continues to be a community hub, supporting and engaging its volunteers, providing workshops and training on themes such as repair and crafts. All the money raised from sales is reinvested into the project, to buy workshop equipment, and to provide more local events and free training. These sites also provided great opportunities for engaging smaller corporate groups through employee volunteering – offering a unique insight into furniture upcycling and volunteering activity that could be delivered all year round.

Across all our programmes we diverted over 612 tonnes of waste from landfill and achieved overall savings of over 10,697 tonnes of CO₂ emissions.

Our health-focussed work continues to grow on the frontline, with a team of 18 social prescribing link workers providing support to patients within GP practice across the London Borough of Hounslow. In Barnet, the Community Health Champion project launched in 2020 has evolved to focus on wider health priorities, including childhood immunisations, mental health, living with COVID and cardiovascular diseases. 299 Health Champions receive information, attend workshops and training to build knowledge in these topics and then share resources provided by Groundwork and Barnet Public Health with their social networks, and we set up a new programme supporting vaccine grants working with communities in Barnet.

Creating better places – *supporting people to work collectively to make their surroundings greener, safer, and healthier and be actively involved in the way decisions are made about services in their area.*

We continued to manage a broad portfolio of grant programmes distributing £9.5m of funds on behalf of national, regional and local partners, supporting nearly 650 grass roots community organisations across the capital. We have been targeting grant funding administration opportunities to mirror the breadth of our own delivery services, where we can provide valuable insight to partners and funding beneficiaries on the co-design, effective selection and delivery of projects that improve communities through public space enhancement, tree planting, green travel choices, energy efficiency support and projects to increase integration, community safety, access to culture, skills development and employment.

The breadth of the London Landscape Team's expertise and experience is represented in its expansive project portfolio that spans much of the profession's core work areas, including: developing climate adaptation and resilience; enhancing biodiversity and water management; introducing SuDS in both new landscapes and, increasingly, more challenging retrofit schemes; seeking opportunities for planting and design schemes to enhance air quality; designing innovative natural, incidental and formalised play spaces; improving access to open and green spaces; hard and soft urban landscape design; and enhancing and revitalising historic landscapes and heritage assets.

Our approach is to co-design solutions with local communities, to ensure the designs are based on residents' aspirations and priorities.

In 23/24, Groundwork London improved 1.8 million square meters of land through a range of services, including community gardening, corporate volunteering and landscape design.

Landscape projects have included Green Blue You, funded from the GLA's Green & Resilient Spaces Fund, a series of interlinked projects across the Pinkwell Ward in Hillingdon, which aim to reduce flood risk and alleviate pollution to water courses, improve biodiversity and create a more pleasant and green public realm.

We continued work in the London Borough of Islington to progress a series of projects including 3 green spaces in Redbrick Estate through engagement and consensus building activities; St John's Gardens, to design and deliver improvements to this historic space in the heart of Clerkenwell; and at Shearling Way to carry out iterative design and engagement to develop a derelict football pitch into an attractive community garden and play area.

We have been working on a flagship SuDS project with John Burns Primary School in Wandsworth, Thames Water and the DfE to create an integrated soft-landscape focussed SuDS system that diverts existing water flows from impermeable surfaces, channelling it through a series of features aimed at treating/conveying/storing the water before releasing it at a controlled rate back to existing below ground drainage and sewerage networks. The school, together with the surrounding streets of Wycliffe Road and Dunston Road, is named as at risk within the description of Critical Drainage Area 23 of Wandsworth Borough Council's Surface Water Management Plan.

For schools such as John Burns there are numerous benefits to integrating SuDS into management of rainwater and can also help to reduce long-term maintenance costs. Many maintenance activities for the upkeep of SuDS can be done by students and teachers as part of the learning environment.

Our community gardening team in 23/24 continues to work in multiple settings, including meanwhile spaces, schools, open spaces and on housing estates. They work with a wide range of participants, including children in school settings, SEN children, refugees and migrants and older adults. In Westminster our Cook Smart Spend Less Courses built on previous successes of plot to plate facilitating budget cooking and teaching new skills. It directly responds to the cost-of-living crisis targeting residents most in need and affected by high food prices.

We have been delivering Westminster Adult Education funded growing and food related projects since 2018. This year's course- Cook Smart, Spend Less- consisted of three rounds of the cooking course, with seven classes in each course, recruiting new participants. The classes aimed to encourage a healthy lifestyle by sharing information about improved physical and mental health, as well as nutrition. Cooking on a budget was a focal point of the class, and discussions covered energy-saving techniques and meal preparation. An online and printed recipe book was provided after the course for participants to try the recipes at home. We went beyond our target learners this year and achieved 42 learners across the courses.

The QEOP Welcoming Wellbeing Walks project trained 24 Our Parklife's Park Champions to co-deliver Welcoming Wellbeing Walks for 45 participants with refugee status and their families. The wellbeing walks introduced the participants to the Queen Elizabeth Olympic Park local area and all its flora/fauna, accompanying them in their integration journey to accessing green spaces and observing nature, developing language proficiency and reducing social isolation. Participating refugees could opt to become Park Champions at the end of their course and be buddied to ensure they were supported in this volunteer work.

The Hounslow Environmental Champions programme began in February 2023, and was created to improve community engagement, tackling environmental issues through volunteering. We have increased overall

volunteer numbers by nearly 80%, with over 625 people volunteering. We offer inclusive activities, attracting a diversity of volunteers and with a good geographical spread across Hounslow. We have delivered a range of opportunities from litter picks, to bird walks, networking events and training. We have supported volunteer led volunteering and forged new partnerships. Satisfaction levels are high and we are in discussion with the client regarding extension funding.

The Federation GIS (Geographic Information System) programme allows various Groundwork Trusts to use the ESRI ArcGIS mapping platform to create and share content both internally and publicly with their stakeholders. A few projects that have been shared through this platform include: the Groundwork Manchester Irwell StoryMap, Cheshire, Lancashire & Merseyside StoryMap, One Stop, and the Tesco Bags of Help grant programme web map application. Groundwork London GIS Team has also delivered a number of online and in-person GIS Training courses for other Trusts (Groundwork South) alongside smaller GIS projects for Groundwork London Community and Grant Teams.

Through the ESRI ArcGIS platform, Groundwork Trusts also have access to a data store, which enables them to easily access useful, relevant data for projects and grant applications. The StoryMap helps to increase communication about ongoing and completed projects among the various organisations that make up the partnership.

Groundwork London Financial Review

Groundwork London has determined to voluntarily provide a Statement of Financial Activity for Groundwork London 2023/24 as well as the required consolidated accounts for Groundwork London and Groundwork South (as its wholly owned subsidiary) for the same period. The financial review of the group is described earlier in this report.

Groundwork London shows income achieved in the year of £26,034,765 with expenditure of £26,012,194.

Principal Funding Sources

Funding for Groundwork London was provided by the following sources:

	£
Local Authorities	3,989,152
Public and Regional Agencies	9,638,537
European Union	2,546,454
Private Sector	9,622,048
National Lottery	238,574
	<u>26,034,765</u>

Reserves Policy

The Board of Trustees has agreed a long-term aim of holding unrestricted, free reserves equivalent to six months' (180 days) running costs. The Board believes this is a prudent level of reserves for a Charity based in Central London and is in line with other Groundwork Trusts.

The Board has agreed that a reasonable level of reserves is required to:

- absorb short term setbacks such as loss or delays in funding
- finance working capital needs and fund time delays between the expenditure and receipt of funds
- set aside funds for appropriate capital assets such as IT equipment and securing and developing suitable premises

The Board monitor unrestricted reserves on a quarterly basis and the Reserves Policy is reviewed on an annual basis to assess the needs of the organisation.

At the year-end unrestricted reserves shown in the balance sheet covered 208 days (2023: 190 days) running costs. The reserves days includes the consolidation of Groundwork South's accounts into the Groundwork London accounts.

Investment Policy

The Trust aims to have a portfolio of Financial Investments consistent with a "Balanced Portfolio" profile of risk, return, and liquidity, as identified in an externally conducted assessment of attitude to risk of the trustees when investing the Trust's assets. In order to achieve this it will select Investment Managers which are able to make informed and timely asset allocation decisions consistent with the objectives of this Investment Policy and which may include Government and Corporate Bonds (UK and Overseas), UK and overseas Equities, Property, Gold and other commodities (excluding coal) and cash.

The Trust aims to utilise returns from financial investments for its day to day operations.

The Trust wishes to keep at least 40% of total assets in investments which can be realised within three months.

A minimum of 10% of total assets should be capable of being liquidated within 7 working days.

The Trust will not invest directly in any organisation whose main business activity is:

- The production of tobacco or narcotics
- The production of pornographic material
- The manufacture of weapons of war
- Encouraging or enabling gambling
- Providing Home Credit (Doorstep Lending)
- Using child labour or other exploitative employment practices

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

The total return on the Trust's investments for 2023-24 were 8.96% (2022-23 -4.98%).

Section 172 Statement

The Board is required to report on how its decision making has aligned with its duty to promote the success of the Charity in accordance with section 172 of the Companies Act 2006

The Board is required by law to take regard to the following factors in any decision making process:

- the likely consequences of any decision making in the long term
- the interests of the company's employees
- the need to foster the company's business relationships with suppliers, customers and others
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a reputation for high standards of business conduct and
- the need to act fairly as between members of the company

Future Plans 2024/25

In line with our new strategy: Groundwork 2025, our ambition is continue to be a significant force for changing places and changing lives across London. During 2024/25 Groundwork London will work to three strategic objectives through which we expect to meet the challenges posed by London's operating environment:

1. Creating and delivering services to meet the needs of London and Londoners.

Delivering high quality, innovative actions with multiple economic, social and environmental benefits will be central to all that we do. Our priorities are:

Improving people's prospects – delivering support to increase the confidence, skills, wellbeing and employability of young people & adults.

Promoting greener living and working – helping people, organisations and businesses learn more about their environmental impact and act responsibly to reduce natural resource use; address food and fuel poverty; and improve health and wellbeing.

Creating better places – supporting people to work collectively to make their surroundings greener, more resilient, safer and healthier; and be actively involved in the way decisions are made about services in their area.

2. Building productive relationships and partnerships, influence and shape policies and share learning

The success of our work is reliant on building long-term, cross sector alliances to develop collaborative business opportunities and by adding value to local and regional strategic partnerships. We will focus on:

- Developing and expanding our associations with the London Boroughs and the Housing sector
- Exploring and creating new programme activities with the GLA and TfL, London Councils, and the London Strategic Waste Authorities, Health commissioners and providers and academic institutions
- Develop new services for residents and businesses with utilities companies and expanding our work with the corporate sector
- Provide management and Board support to Cross River Partnership, London Community Resource Network and Our Park Life
- Working with the voluntary sector and other community support organisations
- Working with the members of the Groundwork Federation on business development, peer support and the future development of the Federation

3. Maintaining a strong, viable business, achieving excellence in service delivery

We will continue to innovate, evolve and grow as an organisation building on our experience, our successes and learning including the positive experiences emerging through COVID-19 delivery. We will continue to improve how we plan, deliver and measure the impact of our programmes, whilst enhancing our organisational capabilities, internal systems and operations ensuring that we are:

- Fostering a culture of equity and inclusion
- Enabling collaboration
- Driving innovation
- Demonstrating and promoting the value and benefit of our services
- Focusing on those in most need
- Continuing to invest in our competencies, professionalism and specialist skills
- Diversifying our funding
- Better understanding the climate impact of our programmes

As we continue to evolve and grow as an organisation we build on our experiences, successes, and learning. We are committed to fostering a culture of equity and inclusion and support participative and integrated working across all staff teams. We will progress actions identified through our EDI staff and trustee survey in 2022 with a focus on; raising our consciousness and actions of Equity, Diversity & Inclusion; diversity in our employees and at senior levels; and communications. We view promoting equality in the workplace as an ongoing endeavour; we aim to ensure our approach and processes continue to be aware and responsive to continuous improvement.

We will also ensure that Groundwork activity is sustained and developed across the South of England through our wholly owned subsidiary Groundwork South. We will do this via financial support in the form of loans and through leadership and management of defined specialist activities. Groundwork South will present its own business plan focused on the communities in South East & South West England.

We will deliver:

Community spaces: Enabling community led environmental improvements to publicly accessible open spaces. We will:

- Inspire, mobilise and support people to take a more active role in improving and managing the local spaces that matter to them
- Focus activity in neighbourhoods where there is more limited access to high quality open space
- Work creatively with councils and other partners to maximise the social, economic and environmental benefits of green spaces

Green infrastructure: Providing technical expertise in sustainable land management and climate change adaptation. We will:

- Provide technical expertise, including sustainable urban landscape design and Geographic Information Systems mapping intelligence
- Create spaces that are resilient to the changing climate, and that meet the needs of local communities for sport, play and recreation and enhance London's nature and heritage
- Develop understanding and expertise around carbon sequestration from our green space projects

Health & Wellbeing

Encouraging physical activity, improving mental health, promoting healthy eating and addressing environmental causes of health problems. We will:

- Encourage and enable people to improve their health and well-being through physical and sporting activity, or the participation in social prescribing initiatives
- Help people improve their mental health through specialist support, well-being coaching and signposting
- Address food poverty by supporting food distribution, promoting community food growing and healthy eating initiatives
- Focus on improving, and helping Londoners adapt to, major environmental issues that contribute to poor health such as poor air quality or extreme weather events

Social integration

Using a community participation approach to create stronger, more cohesive communities, to improve the quality of life and opportunity. We will:

- Tackle the social, physical and practical barriers to inclusion, including knowledge and skills, perceptions and confidence, and access issues such as digital exclusion
- Help socially isolated individuals through activities such as 1-2-1 support and creative group workshops
- Support the integration of marginalised groups, including refugees, migrants and older people, through peer support, connection to local services and building social networks

Grants Management

- Provide a grants administration function for the GLA, TfL, MOPAC and corporate partners to channel funding efficiently to grass-roots third sector organisations

Volunteering: Brokering volunteering opportunities for individuals and organisations. We will:

- Inspire and support volunteers of all ages, finding them the right opportunities, ensuring they get the best possible experience and fulfil the goals that motivated them to volunteer
- Support organisations to identify volunteering opportunities, and maximise the impact of their volunteers' time and skill

Employment and Skills: Providing personal advice and guidance, training, work experience and job brokerage. We will:

- Help the most disadvantaged people improve their skills and move from welfare into sustainable employment by: personal advice and guidance; realistic work placements and trials; addressing barriers to work and linking the right people with the right jobs
- Deliver accredited training, certifying the skills that people have gained from working with us, and enabling them to gain employment and progress into further training

Youth work: Providing coaching and positive activities for young people to develop their life skills and fulfil their potential. We will:

- Run clubs and activities for young people that enable them to develop life skills and engage in rewarding work in their local community
- Work to improve the attitude, attainment, aspirations and wellbeing of young people, coaching them to make the most of their education opportunities, explore meaningful career paths and make positive life choices
- Facilitate youth social action opportunities for young Londoners
- Support the mental health and wellbeing of young people

Green Jobs: Providing practical work experience and training for sustainable employment. We will:

- Provide opportunities for those out of work to gain confidence and skills and find jobs through working on practical schemes to improve local environments, enhancing valuable open space facilities and preparing our neighbourhoods for the impacts of climate change
- Develop, create and actively promote opportunities for new 'green' job roles within Groundwork's work programmes covering areas such as reuse, water and energy efficiency
- Work closely with the London agencies driving the move to low carbon and green recovery, ensuring that those most disadvantaged from the labour market can benefit from the jobs created

Resource efficiency: Reducing waste, energy and water consumption through advice and action. We will:

- Help more people, particularly vulnerable residents, to reap the benefits from more efficient consumption of resources, changing behaviours and improving homes in order to reduce energy and water consumption and reducing utility bills
- Support public, private and voluntary sector organisations to meet carbon and water reduction targets, wider environmental management aspirations and social responsibility targets
- Contribute to London's circular economy by increasing and promoting recycling and reuse, in particular domestic furniture, white goods and bicycles

Climate Change: Ensuring our programmes and the support we provide to others mitigate the causes and negative effects of climate change. We will:

- Increase Londoners' awareness and understanding of climate change and support them to minimise the causes and effects of climate change
- Develop a Groundwork London carbon offset programme to fund carbon reduction activity
- Actively support and promote greener travel opportunities in the capital

Innovation and development: Investing in new ideas and development to meet London's changing needs. We will:

- Invest in ideas and new ways of doing things in consultation with our key partners, clients and funders to address the challenges facing London and Londoners

Principal Risks and Uncertainties

The Board accepts its responsibility under the Charity Commission's Statement of Recommended Practice (SORP) for ensuring the major risks to which the charity is exposed are identified and reviewed and that there are systems in place to mitigate against them.

The Trust undertakes an annual review of risk, the principle risks identified during the business planning process for the forthcoming year are:

- Failure to deliver targets in 'payment by results' contracts
- Failure to secure funding for the projected operations plans
- Inability of the organisation to meet its utilisation targets or chargeable rates
- Poor performance and partner dissatisfaction with the quality of delivery
- Loss of large contracts

Strategic planning is central to our business management, common features that will help us address these risks are:

- Undertaking regular compliance reviews of all contracts to ensure service delivery meeting contract requirements
- Implementing adjustments to ensure agreed outputs and outcomes are met, empowering our staff to develop new, creative and effective ways of working
- Reviewing and amending our business operations, including a focus on ICT as being essential to adapting our delivery and working arrangements
- Implementing changes to our structure and operations as required to ensure the Charity can continue to deliver its charitable objectives
- Expanding our offer to existing and new partnerships with local authorities, housing associations and the private sector
- Investing in specialist skills to drive up quality across all our services
- Prioritising and consolidating development, marketing and communications to grow our visibility and broaden our access to new income sources
- Developing and implementing new strategies for the recruitment of experienced staff to manage and deliver services, balanced with identifying and developing talent within our staff team
- Maintaining fundraising capacity and continuing to strengthen the quality of our bids and tenders
- Continued emphasis on demonstrating the value and benefits of Groundwork's services
- Monitoring delivery and financial performance
- Preparing actions plans to mobilise change processes arising from changes or loss of major contracts
- Providing training and support to improve project and performance management and client focus skills to ensure projects are delivering required outcomes, on time and to budget
- Engaging with Groundwork South and the Federation to provide support to business management and development and specialist delivery services

Financial management of projects is controlled using PIMS (Project Information Management System). The Trust has strong skills within the staff teams in its effective use. Expenditure is only made on projects once income has been secured. The amount of secured and unsecured income and the expenditure and revenue on all projects is analysed on a monthly basis. Detailed management information is imported from the system to provide up to date financial and operational performance against targets.

The Executive Team reviews income and contribution secured against business plan, team capacity and project performance together with other business information. These are also reported to the staff teams at monthly Operations and Development meetings and on a quarterly basis to the Board, to focus Trust attention on achieving Business Plan targets.

In addition to reviewing the risk register, quarterly reports to the Board monitor income & expenditure and progress towards financial targets. Detailed management accounts are examined at each meeting. The Trust submits these accounts to Groundwork Federation on a quarterly basis and is monitored on security of income and financial stability.

Financial Instruments

Groundwork London's financial risk management objective is broadly to seek not to make losses from exposure to any interest rate or currency fluctuations. In the year 2023/24 we have had no exposure to these fluctuations. Our policy has been to finance fixed assets through retained reserves. Other than bank charges, no interest is payable on our bank accounts.

Energy and Carbon Statement

As part of the obligations set out under the Energy and Carbon Report Regulations 2018, we monitor and measure energy consumed, and subsequent carbon created as an organisation. The energy we consume is primarily fossil fuel which falls within scope 1 & 2, as classified under Energy and Carbon Reporting (SECR). We have committed to create and publish a carbon reduction plan by March 2025

Employees

Groundwork London provides an inclusive working environment for employees and supports professional and personal development. Groundwork London is committed to fostering a culture of diversity, respect and inclusion as well as equality of opportunity for all employees. Employment practices and policies are in place to ensure that no employee receives less favourable treatment because of age, disability, gender, race, religion or sexual orientation.

The Executive Team regularly provides information to employees through inductions, monthly emails and regular all team meetings. We have also setup Teams channels for specific topics including Wellbeing and Learning and Development. The organisation provides wellbeing support through its Wellbeing Network and its team of Mental Health First Aiders. We subscribe to Health Assured's Occupational Health Employee Assistance programme, help and advice lines, counselling and listening line, online web chat and online videos. The organisation also operates an Employee Benefits Health Cash Plan where staff can claim contributions on healthcare bills.

In line with legislation we calculate and publish our annual gender pay gap data and report in April each year. Our mean gender pay gap in April 2024 reported that women earn 4.2% more than men (April 2023: 4% higher) and median was 7.1% higher (April 2023: 4% higher).

Reference and Administrative Details

Registered Company number
04212532 (England and Wales)

Registered Charity number
1121105

Registered office of the company and principal office of the charity
18-21 Morley Street, London, SE1 7QZ

Our advisers

Auditors	Hartley Fowler	4 th Floor, Tuition House, 27/37 St George's Road, London, SW19 4EU
Bankers	Lloyds	Blackheath Branch, PO Box 1000, BX1 1LT
Solicitors	Bates, Wells & Braithwaite	61 Charterhouse Street, London EC1M 6HA

Key management personnel: Directors and Trustees

The directors of the charity are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

Co-opted	Alan Smith (Chair 1/4/14)	appointed	20/02/2012
	Graham Beal	appointed	10/03/2014
	Dan Davidson	resigned	24/06/2024
	Phil Stokes	resigned	23/09/2024
	Keith Taylor	appointed	20/03/2017
	Sophie Taysom	appointed	20/04/2020
	Bradley Pritchard	resigned	09/08/2023
	Lanre Bello	resigned	23/09/2024
	Sadaf Rasheed	appointed	28/09/2020
	Tom Leake	appointed	28/09/2020
	Alex Beer	appointed	27/11/2023
	Tony Beaman	appointed	26/02/2024
	Wen-Yu Weng	appointed	26/02/2024

Groundwork UK nominee	Marilyn Baxter	appointed	20/03/2017
------------------------------	----------------	-----------	------------

Local Authority nominee	Susan Wise	resigned	23/09/2024
--------------------------------	------------	----------	------------

Company Secretary	Stuart Harrison
--------------------------	-----------------

Key management personnel: Senior Managers

Executive Director	Lindy Kelly
Director, Finance & Corporate Services	Stuart Harrison
Director, Communities & Environmental Services	Katrina Baker
Director, Development & Strategic Programmes	Ben Coles
Director, Youth, Employment & Skills	Graham Parry

Structure, Governance and Management

Structure

Groundwork London is a registered charity and company limited by guarantee and is governed by its Articles of Association. Groundwork London was registered as a limited company on 8th May 2001 under the name Groundwork London Partnership and changed its name by Special Resolution to Groundwork London on 10th September 2007. On 1st November 2007 Groundwork London merged with Groundwork Southwark & Lambeth, Groundwork South East London and Groundwork Merton. On 1st April 2008 Groundwork London merged with Groundwork West London and incorporated the London activities of Groundwork Federation (non-legal incorporation). Groundwork North and Groundwork East London transferred as mergers on 1st April 2009.

Groundwork London is a member of the Federation of Groundwork Trusts in England, Wales and Northern Ireland, each working with partners to improve the quality of the local environment, the lives of local people and the success of local businesses in areas in need of investment and support. The Federation Membership Agreement is a bilateral agreement jointly signed by both the Trust and the Federation, setting out the obligations, defining the minimum quality and ethical standards, setting out the core values and defining the circumstances and procedures whereby Trusts may be required to leave the Federation.

Groundwork London became the sole company member of The Groundwork South Trust Ltd on the 14th March 2017. Groundwork South continues to operate as an independent company with its own Board.

The Members of Groundwork London

The company members are the Federation of Groundwork Trusts, Dan Davidson, Eugenie White, Alan Smith, Cate Newnes-Smith and Susan Wise.

Governance

As Groundwork London has evolved so has our Governance ensuring that it is both relevant and effective as well as being resilient to future changes in our operating environment.

Board of Trustees

The Governing body of the Trust is the Board of Trustees. The Board is responsible for major strategic decisions and has ultimate responsibility for the conduct and financial viability of the organisation, it meets formally four times a year. The Board comprises of not more than 15 Directors of whom not more than 6 are either nominated or appointed and 9 co-opted Trustees:

- Up to 4 appointed Local Authority members elected from the Local Authority Strategic Input Board
- 2 Groundwork Federation nominees
- 9 co-opted members

Trustees generally serve in terms of between 12 months and 3 years and can be reappointed by the Board. The Board has an agreed strategy to enable Board succession to occur on a rolling basis.

Committees

The Board has established a number of committees:

- Finance & Audit Committee is responsible for reviewing the overall status of financial and investment resources and for making appropriate recommendations to the Board. It meets four times a year.
- The Executive Recruitment & Remuneration Committee assists the Board in the appointment of the Executive Director and to support the Executive Director in the appointment of Directors and to consider and approve their remuneration. The Remuneration Committee meets once per year.
- Local Authority Members Board enables Local Authorities to shape the strategic direction of Groundwork within London boroughs, to keep their LA's informed about the breadth of Groundwork London's expertise and appoint, via an electoral process, members to the Groundwork London Board.

Induction & Training

New members of the Board of Trustees are provided with the Groundwork London Governance handbook and other key documents and have an induction meeting with the Executive Director. The induction includes an overview of the objects of Groundwork London and its Vision and Mission, the structure, its staff and volunteers and finance. Trustees are also encouraged and supported in visiting projects.

Community Interest Company – *Our Parklife*

Our Parklife was formally constituted in September 2014 by company members; Equans (previously known as Engie prior to name change); Groundwork London; Renaisi and Idverde (previously known as The Landscape Group prior to acquisition). Equans appoint two members to the Board and all other members appoint one Director. Groundwork London's has appointed two Directors who alternate, they are Graham Parry (Director, Youth, Employment & Skills) & Ben Coles (Director, Development & Strategic Programmes).

The objects of the Company are to carry on activities which benefit the community and in particular (without limitation) to promote the social, economic and environmental well-being of residents in the boroughs immediately surrounding the Queen Elizabeth Olympic Park in Stratford by providing opportunities in the Park:

- for employment and training; improving skills and knowledge; and encouraging entrepreneurship, innovation and business skills;
- within the operations of the Members across London for employment and training and improving skills and knowledge;
- for new and existing residents to meet and mix to promote cohesion and inclusion; and
- for local people to volunteer, to learn about environmental sustainability and to undertake initiatives in their own neighbourhoods and provide educational opportunities for schools and young people.

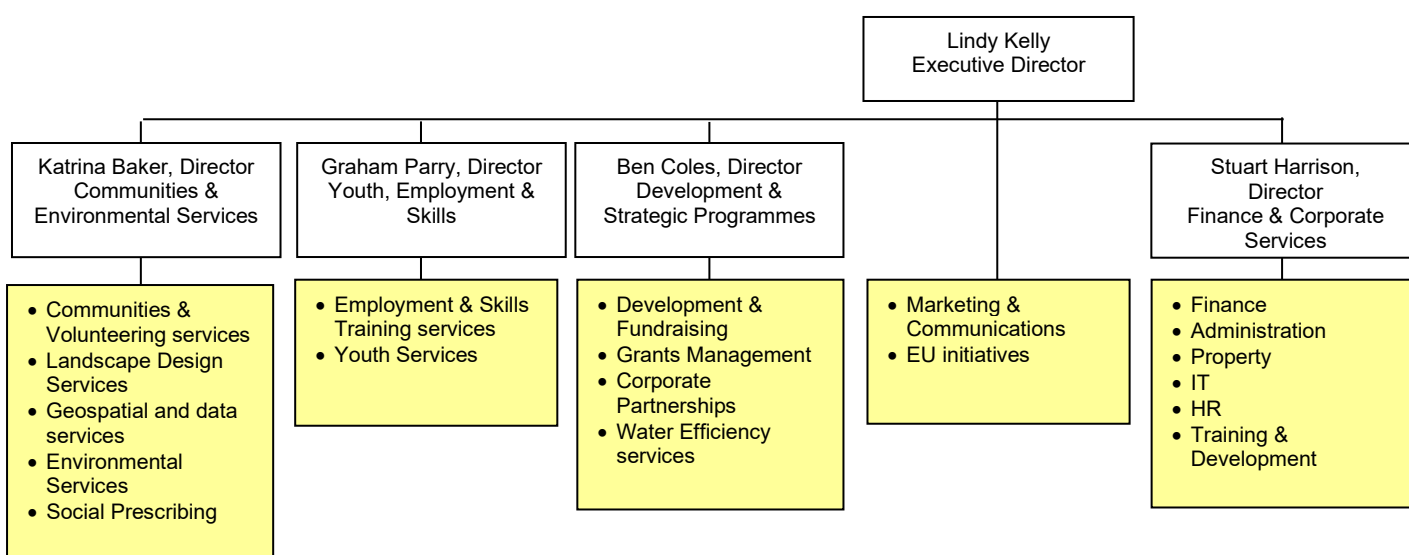
Management

The Board delegates day-to-day financial and managerial control of the organisation to the Executive Director. The Executive Director, together with the Executive Team, meets monthly to discuss the operational and financial status of the Trust.

Groundwork London's professional team continues to evolve in response to changes to our organisational structure and changes to the scale of the activities across each of our thematic areas and the needs of our business operational requirements. The framework within which our teams are organised are guided by the following principles:

- We must remain embedded in the local community, with local delivery at the core of what we do
- We must be able to operate a seamless, consistent and high quality delivery service across London
- We need to be a credible local and regional partner able to operate at a strategic level
- We must be a strong and viable organisation

Projects and programmes continue to be delivered by local teams, with management organised through area management structures and specialist service. At the end of the 2023/24 we had 325 FTE employees.



Trustees' responsibilities in relation to the financial statements

The charity trustees (who are also the directors of Groundwork London for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to 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 the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

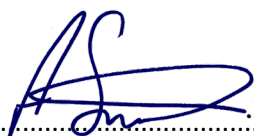
The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware, and
- the trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the board of trustees



Trustee

Date: 23rd September 2024

Independent Auditor's Report to the members of Groundwork London

Opinion

We have audited the financial statements of Groundwork London (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company'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;
- 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 Auditors' 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 Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, including the strategic 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. 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 trustees' annual report, including the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the trustees' annual report, including the strategic report has 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 their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 trustees' responsibilities statement set out in the trustees' annual report, 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 group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

We identify and assess risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Independent Auditor's Report to the members of Groundwork London (continued)

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and the charities activities;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charitable company's documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the charitable company operates in. The key laws and regulations we considered in this context included the Charities Act 2011, UK Companies Act and tax legislation.

In addition we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.

As a result of performing the above, we did not identify any key matters related to the potential risk of fraud or non-compliance with laws and regulations.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provision of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reviewing minutes of meetings of those charged with governance, reviewing internal reports, and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments, assessing whether the judgements made in making accounting estimates are indicative of a potential bias and evaluating the business rationale for any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indication of fraud or non-compliance with laws and regulations throughout the audit.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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.



Jonathan Askew, FCA (Senior statutory auditor)

for and on behalf of Hartley Fowler LLP

Statutory Auditor

Chartered Accountants

Fourth Floor, Tuition House

27/37 St George's Road

London

SW19 4EU

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Consolidated Statement of Financial Activities for the year ended 31st March 2024, incorporating the Income and Expenditure account

		Unrestricted Funds	Restricted Funds	31.3.24 Total Funds	31.3.23 Total Funds
	Notes	£	£	£	£
INCOME					
Investment income	3	398,994	-	398,994	418,874
Income from charitable activities	4	16,121,934	15,895,193	32,017,127	32,741,130
Total Income		<u>16,520,928</u>	<u>15,895,193</u>	<u>32,416,121</u>	<u>33,160,004</u>
EXPENDITURE					
Cost of raising funds	5	94,120	-	94,120	122,102
Charitable activities	6	16,128,343	16,129,403	32,257,746	32,800,297
Total expenditure		<u>16,222,463</u>	<u>16,129,403</u>	<u>32,351,866</u>	<u>32,922,399</u>
Net income before gains/ (losses) on investments		298,465	(234,210)	64,255	237,605
Net (losses)/ gains on investment properties	14	-	(19,717)	(19,717)	(19,717)
Net gains / (losses) on cash investments	18	152,408	-	152,408	(254,850)
Net income		<u>450,873</u>	<u>(253,927)</u>	<u>196,946</u>	<u>(36,962)</u>
Transfers between funds	23	(229,210)	229,210	-	-
Net movement in funds		<u>221,663</u>	<u>(24,717)</u>	<u>196,946</u>	<u>(36,962)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>10,302,618</u>	<u>1,512,612</u>	<u>11,815,230</u>	<u>11,852,192</u>
TOTAL FUNDS CARRIED FORWARD	23	<u>10,524,281</u>	<u>1,487,895</u>	<u>12,012,176</u>	<u>11,815,230</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

The notes on pages 37 to 56 form part of these financial statements.

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Charity Statement of Financial Activities for the year ended 31st March 2024, incorporating the Income and Expenditure account

		Unrestricted Funds £	Restricted Funds £	31.3.24 Total Funds £	31.3.23 Total Funds £
	Notes				
INCOME					
Investment income	3	398,994	-	398,994	424,053
Income from charitable activities	4	11,246,813	14,388,958	25,635,771	26,895,355
Total Income		11,645,807	14,388,958	26,034,765	27,319,408
EXPENDITURE					
Cost of raising funds	5	94,120	-	94,120	122,102
Charitable activities	6	11,268,221	14,649,853	25,918,074	27,170,974
Total expenditure		11,362,341	14,649,853	26,012,194	27,293,076
Net income before gains/ (losses) on investments		283,466	(260,895)	22,571	26,332
Net (losses)/ gains on investment properties	14	-	(19,717)	(19,717)	(19,717)
Net gains / (losses) on cash investments	18	152,408	-	152,408	(254,850)
Net income		435,874	(280,612)	155,262	(248,235)
Transfers between funds	23	(255,895)	255,895	-	-
Net movement in funds		179,979	(24,717)	155,262	(248,235)
RECONCILIATION OF FUNDS					
Total funds brought forward		10,375,124	1,512,612	11,887,736	12,135,971
TOTAL FUNDS CARRIED FORWARD	23	10,555,103	1,487,895	12,042,998	11,887,736

The Statement of Financial Activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 37 to 56 form part of these financial statements.

Groundwork London

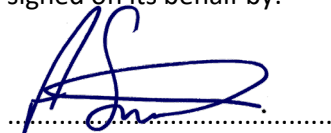
(A company limited by guarantee)

Registered Number: 04212532

Consolidated Balance Sheet as at 31st March 2024

		31.3.24	31.3.23
	Notes	£	£
FIXED ASSETS			
Tangible assets	12	2,188,622	2,217,379
Intangible assets	13	-	-
Investment properties	14	3,502,896	3,522,613
TOTAL FIXED ASSETS		5,691,518	5,739,992
CURRENT ASSETS			
Debtors	17	10,058,074	7,881,543
Current asset investments	18	3,016,690	2,864,282
Cash at bank		2,574,990	4,852,338
TOTAL CURRENT ASSETS		15,649,754	15,598,163
LIABILITIES			
Creditors falling due within one year	19	(9,329,096)	(9,522,925)
NET CURRENT ASSETS		6,320,658	6,075,238
TOTAL ASSETS LESS CURRENT LIABILITIES		12,012,176	11,815,230
NET ASSETS		12,012,176	11,815,230
THE FUNDS OF THE GROUP	23		
General funds		6,367,230	6,287,975
Designated funds		2,115,361	2,125,361
Fair value reserve		2,041,690	1,889,282
Restricted revaluation fund		1,020,672	1,040,389
Restricted property fund		467,223	472,223
TOTAL GROUP FUNDS		12,012,176	11,815,230

The financial statements were approved by the Board of Trustees on 23rd September 2024 and were signed on its behalf by:



Alan Smith - Trustee

The notes on pages 37 to 56 form part of these financial statements

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Charity Balance Sheet as at 31st March 2024

	Notes	31.3.24 £	31.3.23 £
FIXED ASSETS			
Tangible assets	12	1,207,307	1,221,598
Investment properties	14	3,502,896	3,522,613
TOTAL FIXED ASSETS		4,710,203	4,744,211
NON CURRENT ASSETS	16	-	-
CURRENT ASSETS			
Debtors	17	9,221,198	6,986,852
Current assets investments	18	3,016,690	2,864,282
Cash at bank		1,652,560	4,384,910
TOTAL CURRENT ASSETS		13,890,448	14,236,044
LIABILITIES			
Creditors falling due within one year	19	(6,557,653)	(7,092,519)
NET CURRENT ASSETS		7,332,795	7,143,525
TOTAL ASSETS LESS CURRENT LIABILITIES		12,042,998	11,887,736
NET ASSETS		12,042,998	11,887,736
THE FUNDS OF THE CHARITY	23		
Unrestricted funds		6,398,052	6,360,481
Designated funds		2,115,361	2,125,361
Fair value reserve		2,041,690	1,889,282
Restricted revaluation fund		1,020,672	1,040,389
Restricted property fund		467,223	472,223
TOTAL CHARITY FUNDS		12,042,998	11,887,736

The financial statements were approved by the Board of Trustees on 23rd September 2024 and were signed on its behalf by:



Alan Smith - Trustee

The notes on pages 37 to 56 form part of these financial statements

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Consolidated Statement of Cash Flows for the year ended 31st March 2024

	Notes	31.3.24 £	31.3.23 £
Cash flows from operating activities	25	(2,606,465)	(1,667,874)
Cash flow from investing activities			
Investment income received		398,994	418,874
Income from sale of investments		-	-
Purchase of fixed assets		(69,877)	(49,044)
Net cash used in investing activities		329,117	369,830
Net Increase/(decrease) in cash and cash equivalents		(2,277,348)	(1,298,044)
Cash and cash equivalents at the beginning of the year		4,852,338	6,150,382
Cash and cash equivalents at the end of the year		2,574,990	4,852,338

The notes on pages 37 to 56 form part of these financial statements

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Charity Statement of Cash Flows for the year ended 31st March 2024

		31.3.24	31.3.23
	Notes	£	£
Cash flows from operating activities	25	(3,061,467)	(1,269,894)
Cash flow from investing activities			
Investment income received		398,994	424,053
Income from sale of investments		-	-
Cash inflows from new investments		-	860,000
Cash outflows from new investments		-	(860,000)
Purchase of fixed assets		(69,877)	(49,044)
Net cash used in investing activities		329,117	375,009
Net Increase/(decrease) in cash and cash equivalents		(2,732,350)	(894,885)
Cash and cash equivalents at the beginning of the year		4,384,910	5,279,795
Cash and cash equivalents at the end of the year		1,652,560	4,384,910

The notes on pages 37 to 56 form part of these financial statements

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Notes to the financial statements for the year ended 31st March 2024

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Groundwork London meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. With respect to the next reporting period, 2024-25, the most significant areas of uncertainty are the impacts on Government and Local Authority funding commitments following the change in Government.

b) Estimates and judgements

The investment property valuations referred to in note 14 are based on the professional opinion of fair value from a qualified chartered surveyor.

c) Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably. Grants receivable, where related to performance are accounted for as the charity earns the right to consideration by its performance. Where income is received in advance, recognition is deferred and included in creditors and where entitlement arises before income is received the income is accrued.

d) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

e) Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs. These costs are allocated to projects based on the ration of project time incurred.

f) Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life. Items over £2,000 are capitalised.

Long leasehold	-over the term of the lease
Buildings	-2% per annum
Fixtures and fittings	-at varying rates on cost
Motor vehicles	-at varying rates on cost
Computer equipment	-at varying rates on cost

g) Intangible fixed assets

Amortisation is provided at the following rates:

Software	- 20% straight line
----------	---------------------

h) Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve. No depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to run.

i) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

j) Taxation and VAT

The charity is exempt from corporation tax on its charitable activities. The company is registered for VAT and all resources expended are inclusive of irrecoverable VAT. Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

k) Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the note 24 to the financial statements.

l) Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the period of the lease.

m) Consolidation

The financial statements consolidate the results of the charitable company and its wholly owned subsidiary, The Groundwork South Trust Ltd, on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charitable company has also been presented. The charitable company also has two dormant subsidiaries as set out in the notes to the accounts.

n) Pensions

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The company pays fixed contributions, charged to the statement of financial activities in the period to which they relate. The charity contribution is restricted to the contributions disclosed in note 11.

The money purchase plan is managed by AEGON and the plan invests the contributions made by the employee and employer in an investment fund to build up over the term of the plan.

The Trust has no liability beyond making its contributions and paying across the deductions for the employee's contributions. A similar defined contribution scheme is operated by the subsidiary company, The Groundwork South Trust Ltd.

o) Debtors

Trade and other debtors are recognised at the settlement amount due. No discounts are offered. Prepayments are valued at the amount prepaid

p) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

q) Investment policy

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust aims to have a portfolio of Financial Investments consistent with a "Balanced Portfolio" profile of risk, return, and liquidity, as identified in an externally conducted assessment of attitude to risk of the trustees when investing the Trust's assets. In order to achieve this it will select Investment Managers which are able to make informed and timely asset allocation decisions consistent with the objectives of this Investment Policy and which may include Government and Corporate Bonds (UK and Overseas), UK and overseas Equities, Property, Gold and other commodities (excluding coal) and cash.

The Trust aims to utilise returns from financial investments for its day to day operations.

The Trust wishes to keep at least 40% of total assets in investments which can be realised within three months.

A minimum of 10% of total assets should be capable of being liquidated within 7 working days.

The Trust will not invest directly in any organisation whose main business activity is:

- The production of tobacco or narcotics
- The production of pornographic material
- The manufacture of weapons of war
- Encouraging or enabling gambling
- Providing Home Credit (Doorstep Lending)
- Using child labour or other exploitative employment practices

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

r) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts available.

s) Government Grants

Government grants are recognised when the entity has reasonable assurance that conditions attached to the grant will be complied with and that the grant will be received.

Revenue grants are recognised using the accrual model and are therefore recognised as income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. Revenue grants are measured at fair value, being the amount of cash receivable.

2. LEGAL STATUS

Groundwork London is a company limited by guarantee and has no share capital. The registered office and principal place of business is 18-21 Morley Street, London, SE1 7QZ. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

3. INVESTMENT INCOME

	Charity	
	31.3.24	31.3.23
	£	£
Rents received	297,711	318,288
Bank and investment interest	101,283	105,765
	<u>398,994</u>	<u>424,053</u>

	Group	
	31.3.24	31.3.23
	£	£
Rents received	297,711	318,288
Bank and investment interest	101,283	100,586
	<u>398,994</u>	<u>418,874</u>

Investment income includes income received for the leasing out of business units at Artichoke Mews, a public house adjacent to Denmark Hill railway station, income received for leasing out space at Morley Street and Lower Clapton Road, deposit interest received, income from Trust current investments and interest on loans from group undertakings.

4. INCOME FROM CHARITABLE ACTIVITIES

	Charity			
Income was received for:	Unrestricted funds	Restricted funds	31.3.24	31.3.23
	£	£	£	£
Communities and Environmental Service	8,107,892	1,541,476	9,649,368	7,904,853
Landscape Design Services	1,270,320	194,670	1,464,990	2,874,188
Youth, Employment & Skills Training	1,587,818	5,348,373	6,936,191	9,210,279
Strategic Partnerships & Programmes	280,783	7,304,439	7,585,222	6,906,035
	<u>11,246,813</u>	<u>14,388,958</u>	<u>25,635,771</u>	<u>26,895,355</u>

In 2024 the income from charitable activities was £25,635,771 (2023: £26,895,355) of which £11,246,813 (2023: £12,527,037) was income from unrestricted funds and £14,388,958 (2023: £14,368,318) was income from restricted funds.

4. INCOME FROM CHARITABLE ACTIVITIES (cont'd)

Income was received for:	Group			
	Unrestricted funds	Restricted funds	31.3.24	31.3.23
	£	£	£	£
Communities and Environmental Service	11,960,156	2,770,766	14,730,922	12,127,411
Landscape Design Services	1,348,765	421,704	1,770,469	4,513,911
Youth, Employment & Skills Training	2,599,733	5,821,751	8,421,484	9,236,828
Strategic Partnerships & Programmes	213,280	6,880,972	7,094,252	6,862,980
	<u>16,121,934</u>	<u>15,895,193</u>	<u>32,017,127</u>	<u>32,741,130</u>

In 2024 the income from charitable activities was £32,017,127 (2023: £32,741,130) of which £16,121,934 (2023: £15,727,825) was income from unrestricted funds and £15,895,193 (2023: £17,013,305) was income from restricted funds.

Income was provided by:	Charity	
	31.3.24	31.3.23
	£	£
Local Authorities	3,989,152	6,663,845
Public and Regional Agencies	9,638,537	12,338,115
European Union	2,546,454	3,004,524
Private Sector	9,223,054	4,423,562
National Lottery	238,574	465,309
	<u>25,635,771</u>	<u>26,895,355</u>

	Group	
	31.3.24	31.3.23
	£	£
Local Authorities	6,244,952	8,831,024
Public and Regional Agencies	10,214,171	12,480,979
European Union	2,122,987	3,123,275
Private Sector	12,886,139	7,355,421
National Lottery	548,878	950,431
	<u>32,017,127</u>	<u>32,741,130</u>

Income arose from:	Charity	
	31.3.24	31.3.23
	£	£
Sale of goods	593,603	513,710
Rendering of services	12,801,628	11,522,010
Grants	10,093,465	11,640,455
Government grants – employment programmes	2,147,075	3,219,180
	<u>25,635,771</u>	<u>26,895,355</u>

	Group	
	31.3.24	31.3.23
	£	£
Sale of goods	593,603	513,710
Rendering of services	19,182,984	17,367,785
Grants	10,093,465	11,640,455
Government grants – employment programmes	2,147,075	3,219,180
	<u>32,017,127</u>	<u>32,741,130</u>

5. COSTS OF RAISING FUNDS

	Charity and Group	
	31.3.24	31.3.23
	£	£
Other operating leases	77,674	102,338
Administrative expenses	16,446	19,764
	<u>94,120</u>	<u>122,102</u>

Administrative costs relate to the management of business units at Artichoke Mews and a public house adjacent to Denmark Hill railway station, offices at Morley Street and rental space at Lower Clapton Road.

6. CHARITABLE ACTIVITIES COSTS

6. CHARITABLE ACTIVITIES COSTS				Charity
	Direct costs	Governance and support costs (see note 7)	31.3.24	31.3.23
	£	£	£	£
Communities and Environmental Services	13,204,729	1,129,973	14,334,702	14,278,407
Landscape Design Services	1,003,704	89,490	1,093,194	2,462,989
Youth, Employment & Skills Training	2,965,359	770,343	3,735,702	4,072,039
Strategic Partnerships & Programmes	6,554,520	199,956	6,754,476	6,357,539
	23,728,312	2,189,762	25,918,074	27,170,974

In 2024 the expenditure on charitable activities was £25,918,074 (2023: £27,170,974) of which £11,268,221 (2023: £13,105,874) was expenditure from unrestricted funds and £14,649,853 (2023: £14,065,100) was expenditure from restricted funds.

				Group
	Direct costs	Governance and support costs (see note 7)	31.3.24	31.3.23
	£	£	£	£
Communities and Environmental Services	17,832,352	1,650,575	19,482,927	17,969,724
Landscape Design Services	2,308,532	199,028	2,507,560	4,045,056
Youth, Employment & Skills Training	3,192,862	810,891	4,003,753	4,471,033
Strategic Partnerships & Programmes	6,063,550	199,956	6,263,506	6,314,484
	29,397,296	2,860,450	32,257,746	32,800,297

In 2024 the expenditure on charitable activities was £32,257,746 (2023: £32,800,297) of which £16,128,343 (2023: £16,250,411) was expenditure from unrestricted funds and £16,129,403 (2023: £16,549,886) was expenditure from restricted funds.

7. GOVERNANCE AND SUPPORT COSTS

The Trust identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs, together with the governance costs are apportioned between the thematic programme areas in the year. The costs are allocated by staff time. The breakdown of costs are as follows:

Cost type	Support costs	Governance costs	Total 2024	Charity
				Total 2023
	£	£	£	£
Staff costs	1,331,713	27,173	1,358,886	1,256,930
Office and other costs	802,810	28,066	830,876	737,650
Total costs	<u>2,134,523</u>	<u>55,239</u>	<u>2,189,762</u>	<u>1,994,579</u>

Cost type	Support costs	Governance costs	Total 2024	Group
				Total 2023
	£	£	£	£
Staff costs	1,527,024	27,173	1,554,197	1,431,834
Office and other costs	1,270,687	35,566	1,306,253	1,035,221
Total costs	<u>2,797,711</u>	<u>62,739</u>	<u>2,860,450</u>	<u>2,467,054</u>

8. GOVERNANCE COSTS

	Group	
	31.3.24	31.3.23
	£	£
Staff costs	27,173	25,963
Legal fees	11,066	12,066
Auditor's remuneration	24,500	22,500
Total costs	<u>62,739</u>	<u>60,529</u>

9. NET INCOMING/ (OUTGOING) RESOURCES

Net resources are stated after charging

	Charity	
	31.3.24	31.3.23
	£	£
Auditors' remuneration – audit services	16,000	15,000
Depreciation – owned assets	84,168	96,405
Operating lease payments	133,665	135,258
	<u>233,833</u>	<u>346,663</u>

	Group	
	31.3.24	31.3.23
	£	£
Auditors' remuneration – Groundwork London	16,000	15,000
Auditor's remuneration – Groundwork South	8,500	7,500
Depreciation – owned assets	98,634	111,175
Operating lease payments	222,594	135,258
	<u>345,728</u>	<u>369,533</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

No payments or remuneration were made to the Trustees during this year or the previous year. Reimbursement of trustee expenses incurred was £nil (2023: £nil).

11. STAFF COSTS

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

	Charity	
	31.3.24	31.3.23
Direct charitable	317	311
Fundraising	6	8
Governance	2	2
	<u>325</u>	<u>321</u>

	Group	
	31.3.24	31.3.23
Direct charitable	484	462
Fundraising	6	8
Governance	2	2
	<u>492</u>	<u>472</u>

Staff costs were as follows

	Charity	
	31.3.24	31.3.23
	£	£
Wages and salaries	8,875,300	9,812,253
Social security costs	788,592	901,500
Pension costs	789,795	715,817
	<u>10,453,687</u>	<u>11,429,570</u>

	Group	
	31.3.24	31.3.23
	£	£
Wages and salaries	12,953,478	13,301,347
Social security costs	1,092,309	1,168,178
Pension costs	1,066,254	927,978
	<u>15,112,041</u>	<u>15,397,503</u>

The company operated a defined contribution pension scheme. The assets of the scheme were held separately from those of the company in an independently administered fund. Contributions payable for the year were charged to the Statement of Financial Activities.

	Charity	
	31.3.24	31.3.23
	£	£
Amount of outstanding pension contributions	<u>66,820</u>	<u>3,325</u>

	Group	
	31.3.24	31.3.23
	£	£
Amount of outstanding pension contributions	<u>96,847</u>	<u>25,961</u>

11. STAFF COSTS – cont'd

Number of employees whose emoluments (excluding pension contributions) exceeded £60,000 in the year:

		Charity and Group
	31.3.24	31.3.23
£60,000 - £69,999	1	-
£70,000 - £79,999	1	1
£80,000 - £89,999	2	3
£90,000 - £99,999	1	1
	<u>5</u>	<u>5</u>

The total employer's contributions paid to defined contribution schemes for the above higher paid employees was £31,740 (2023 - £30,286). The key management personnel of the charity, the Trust, comprise the Executive Director, Director Finance & Corporate Services, Director Youth, Employment & Skills Training and Director Communities & Environmental Services. The total employee benefits of the key management personnel of the Trust were £573,281 (2023 £554,422).

12. TANGIBLE FIXED ASSETS – Group

	Freehold land and buildings £	Building improve- ments £	Fixtures and fittings £	Computer Equip't £	Motor vehicles £	Floating Classroom £
COST						
At 1 st April 2023	2,603,300	99,266	298,578	250,107	2,706	88,350
Additions	-	-	19,701	50,176	-	-
Disposals	-	-	-	-	-	-
At 31st March 2024	<u>2,603,300</u>	<u>99,266</u>	<u>318,279</u>	<u>300,283</u>	<u>2,706</u>	<u>88,350</u>
DEPRECIATION						
At 1 st April 2023	540,039	80,949	270,299	203,035	2,706	27,900
Disposals	-	-	-	-	-	-
Charge for year	<u>23,400</u>	<u>5,637</u>	<u>29,570</u>	<u>35,377</u>	<u>-</u>	<u>4,650</u>
At 31st March 2024	<u>563,439</u>	<u>86,586</u>	<u>299,869</u>	<u>238,412</u>	<u>2,706</u>	<u>32,550</u>
NET BOOK VALUE						
At 31st March 2024	<u>2,039,861</u>	<u>12,680</u>	<u>18,410</u>	<u>61,871</u>	<u>-</u>	<u>55,800</u>
At 31 st March 2023	<u>2,063,261</u>	<u>18,317</u>	<u>28,279</u>	<u>47,072</u>	<u>-</u>	<u>60,450</u>

12. TANGIBLE FIXED ASSETS – Group

	Total Tangible Fixed Assets £
Cost	
At 1 April 2023	3,342,307
Additions	69,877
Disposals	-
At 31 March 2024	<u>3,412,184</u>
Depreciation	
At 1 April 2023	1,124,928
Disposals	-
Charge for year	98,634
At 31 March 2024	<u>1,223,562</u>
Net Book Value	
At 31 March 2024	<u>2,188,622</u>
At 31 March 2023	<u>2,217,379</u>

12. TANGIBLE FIXED ASSETS – Charity

	Freehold land and buildings £	Building improve- ments £	Fixtures and fittings £	Computer Equip't £	Motor vehicles £	Total £
COST						
At 1 st April 2023	1,620,000	99,266	228,240	231,481	-	2,178,987
Additions	-	-	19,701	50,176	-	69,877
Disposals	-	-	-	-	-	-
At 31 st March 2024	<u>1,620,000</u>	<u>99,266</u>	<u>247,941</u>	<u>281,657</u>	<u>-</u>	<u>2,248,864</u>
DEPRECIATION						
At 1 st April 2023	489,639	80,949	202,392	184,409	-	957,389
Disposals	-	-	-	-	-	-
Charge for year	15,000	5,637	28,154	35,377	-	84,168
At 31 st March 2024	<u>504,639</u>	<u>86,586</u>	<u>230,546</u>	<u>219,786</u>	<u>-</u>	<u>1,041,557</u>
NET BOOK VALUE						
At 31 st March 2024	<u>1,115,361</u>	<u>12,680</u>	<u>17,395</u>	<u>61,871</u>	<u>-</u>	<u>1,207,307</u>
At 31 st March 2023	<u>1,130,361</u>	<u>18,317</u>	<u>25,848</u>	<u>47,072</u>	<u>-</u>	<u>1,221,598</u>

13. INTANGIBLE FIXED ASSETS – Group

	Software £
Cost	
At 1 April 2023	49,720
Subsidiary intangible assets at fair value	-
Disposals	-
At 31 March 2024	<u>49,720</u>
Depreciation	
At 1 April 2023	49,720
Disposals	-
Charge for year	-
At 31 March 2024	<u>49,720</u>
Net Book Value	
At 31 March 2024	<u>-</u>
At 31 March 2023	<u>-</u>

14. INVESTMENT PROPERTIES

	Group and charity			
	Freehold property	Short leasehold £	Long leasehold £	Total £
Fair Value at 1 st April 2023	2,250,000	22,613	1,250,000	3,522,613
Net loss on revaluation	-	(19,717)	-	(19,717)
Fair Value at 31st March 2024	<u>2,250,000</u>	<u>2,896</u>	<u>1,250,000</u>	<u>3,502,896</u>

Groundwork London operates out of a 21 Morley Street. This property is also used for investment income. It was determined during the 2019/20 year that 50% of the property should be treated as an investment property in accordance with SORP FRS 102. An external valuation of £1,875,000 from 2016 was assigned to the investment element of this property. The investment element of the property has been subsequently revalued at 31st March 2021 by Avison Young, Chartered Surveyors, with a valuation of £2.25m. In the opinion of the Trustees there have been no changes in valuation since that date.

The short and long leasehold investment properties are held in the UK. The historical cost of the properties is £373,000. Artichoke Mews was revalued for a sum of £1.25m on 31st March 2021 by Avison Young, Chartered Surveyors, on an open market value in accordance with the guidelines issued by the Royal Institute of Chartered Surveyors. In the opinion of the Trustees there have been no changes in valuation since that date.

The above represents investment at fair value in the following properties which were transferred from Groundwork Southwark and Lambeth on 1 November 2007 as follows:

Artichoke Mews (125 year lease from 1 July 1990) - £1.25m. Historical cost £183,000.

Denmark Hill (41 year lease from 5 June 1983) - £2,896. Historical cost £190,000.

15. SUBSIDIARY COMPANIES

	31.3.24 £	Charity 31.3.23 £
Shares in Group Undertakings	2	2

15. SUBSIDIARY COMPANIES -cont'd

The charity holds 100% of the issued ordinary share capital of Groundwork Environmental Services (West London) Limited (company number 03810135) and Groundwork Environmental Services (East London) Limited (company number 04308777). Both companies are incorporated in England and Wales. Both companies were dormant during the year.

On 14th March 2017 Groundwork London became the sole member of The Groundwork South Trust Ltd, a company registered in England and Wales (registered co number 01982077, registered charity no. 293705) for no consideration and the Group has consolidated its accounts from that date.

The separate accounts for The Groundwork South Trust Limited show the following for the year ended 31 March 2024.

	31.3.24	31.3.23
	£	£
Total income for the year	9,361,404	7,590,322
Total expenditure for the year	9,319,720	7,379,049
Total surplus for the year	41,684	211,273
Aggregate amount of assets	3,969,560	2,650,717
Aggregate amount of liabilities	4,000,382	2,723,223
Aggregate deficit on unrestricted funds	(30,822)	(72,506)

16. NON CURRENT ASSETS

	Charity	
	31.3.24	31.3.23
	£	£
Loans to subsidiary undertakings	-	-
	<u>-</u>	<u>-</u>

There was no Loan outstanding with The Groundwork South Trust Ltd at 31st March 2024 or 2023. Interest on outstanding loans is charged to subsidiary undertakings at 2.85% above the Bank of England base rate, monthly in arrears. The freehold property of the charity has been pledged as security on these funds.

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	31.3.24	31.3.23	31.3.24	31.3.23
			£	£
Trade debtors	7,527,726	5,947,204	7,480,989	5,121,558
Prepayments and accrued income	2,505,232	1,923,289	1,737,605	1,854,244
Other debtors	25,116	11,050	2,604	11,050
	<u>10,058,074</u>	<u>7,881,543</u>	<u>9,221,198</u>	<u>6,986,852</u>

18. CURRENT ASSETS INVESTMENTS

	Group and Charity	
	31.3.24	31.3.23
	£	£
Quoted market price at start of year	2,864,282	3,119,132
Additions in year at cost	-	-
Disposals in year	-	-
Net gains / (losses) on cash investments	152,408	(254,850)
	<u>3,016,690</u>	<u>2,864,282</u>
Quoted market price at year end		

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	31.3.24	31.3.23	31.3.24	31.3.23
			£	£
Trade Creditors	1,153,853	933,584	1,470,792	1,035,832
Taxation and social security	746,930	851,019	510,380	603,685
Deferred income	6,990,821	7,619,232	4,412,032	5,390,366
Other creditors	437,492	119,090	164,449	62,636
	<u>9,329,096</u>	<u>9,522,925</u>	<u>6,557,653</u>	<u>7,092,519</u>

20. DEFERRED INCOME

Movements in group deferred income during the year were as follows:

	Balance at 31.3.23	Amount release to incoming resources	Amount deferred in the year	Group Balance at 31.3.24
	£		£	£
Income from charitable activities	<u>7,619,232</u>	<u>(7,619,232)</u>	<u>6,990,821</u>	<u>6,990,821</u>

Net incoming group resources as shown in the Statement of Financial Activities result from the following:

	Income received	Transferred from deferred income	Group Net income
	£	£	£
Income from charitable activities	<u>39,406,942</u>	<u>(6,990,821)</u>	<u>32,416,121</u>

Movements in group deferred income during the year ended at 31st March 2023 were as follows:

	Balance at 31.3.22	Amount release to incoming resources	Amount deferred in the year	Group Balance at 31.3.23
	£		£	£
Income from charitable activities	<u>6,573,371</u>	<u>(6,573,371)</u>	<u>7,619,232</u>	<u>7,619,232</u>

Net incoming group resources as shown in the Statement of Financial Activities result from the following:

	Income received	Transferred from deferred income	Group Net income
	£	£	£
Income from charitable activities	<u>40,779,236</u>	<u>(7,619,232)</u>	<u>33,160,004</u>

Movements in charity deferred income during the year were as follows:

	Balance at 31.3.23	Amount release to incoming resources	Amount deferred in the year	Charity Balance at 31.3.24
	£		£	£
Income from charitable activities	<u>5,390,366</u>	<u>(5,390,366)</u>	<u>4,412,032</u>	<u>4,412,032</u>

Net incoming charity resources as shown in the Statement of Financial Activities result from the following:

	Income received	Transferred to deferred income	Charity Net income
	£	£	£
Income from charitable activities	<u>30,446,797</u>	<u>(4,412,032)</u>	<u>26,034,765</u>

Movements in charity deferred income during the year ended at 31st March 2023 were as follows:

	Balance at 1 April 2022	Amount release to incoming resources	Amount deferred in the year	Charity Balance at 31 March 2023
	£		£	£
Income from charitable activities	<u>4,485,098</u>	<u>(4,485,098)</u>	<u>5,390,366</u>	<u>5,390,366</u>

Net incoming charity resources as shown in the Statement of Financial Activities result from the following:

	Income received	Transferred from deferred income	Charity Net income
	£	£	£
Income from charitable activities	<u>32,709,774</u>	<u>(5,390,366)</u>	<u>27,319,408</u>

21. COMMITMENTS UNDER OPERATING LEASES

Future minimum lease payments under non-cancellable operating leases for each of the following periods:

	31.3.24	Group 31.3.23	31.3.24	Charity 31.3.23
	£	£	£	£
Not later than one year	169,459	222,594	88,459	133,665
Later than one year and not later than five years	105,898	289,925	69,558	158,017
Later than five years	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Future minimum lease receipts under non-cancellable operating leases for each of the following periods:

	Group and Charity	
	31.3.24	31.3.23
	£	£
Not later than one year	104,890	259,668
Later than one year and not later than five years	93,086	198,066
Later than five years	-	-

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS – Group

	Unrestricted funds	Restricted funds	31.3.24 Total funds
	£	£	£
Fixed assets	2,188,622	-	2,188,622
Investment Properties	2,250,000	1,252,896	3,502,896
Current assets	15,204,598	445,157	15,649,755
Current liabilities	(9,118,939)	(210,158)	(9,329,096)
	<u>10,524,281</u>	<u>1,487,894</u>	<u>12,012,176</u>

	Unrestricted funds	Restricted funds	31.3.23 Total funds
	£	£	£
Fixed assets	2,217,379	-	2,217,379
Investment Properties	2,250,000	1,272,613	3,522,613
Current assets	15,119,879	478,284	15,598,163
Current liabilities	(9,284,640)	(238,285)	(9,522,925)
	<u>10,302,618</u>	<u>1,512,612</u>	<u>11,815,230</u>

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS – Charity

	Unrestricted funds	Restricted funds	31.3.24 Total funds
	£	£	£
Fixed assets	1,207,307	-	1,207,307
Non-current assets	-	-	-
Investment Properties	2,250,000	1,252,896	3,502,896
Current assets	13,445,292	445,157	13,890,448
Current liabilities	(6,347,495)	(210,158)	(6,557,653)
	<u>10,555,103</u>	<u>1,487,895</u>	<u>12,042,998</u>

	Unrestricted funds	Restricted funds	31.3.23 Total funds
	£	£	£
Fixed assets	1,221,598	-	1,221,598
Non-current assets	-	-	-
Investment Properties	2,250,000	1,272,613	3,522,613
Current assets	13,757,760	478,284	14,235,044
Current liabilities	(6,854,234)	(238,285)	(7,092,519)
	<u>10,375,124</u>	<u>1,512,612</u>	<u>11,887,736</u>

23. THE FUNDS OF THE GROUP - 2024

	Brought forward 1.4.23	Incoming Resources	Resources Expended	Net gains / (losses) on invest- ments	Transfers In / (Out)	Carried Forward 31.3.24
Unrestricted Funds						
General funds	6,360,481	11,645,807	(11,362,341)	-	(245,895)	6,398,052
Groundwork South	(72,506)	7,352,868	(7,337,869)	-	26,685	(30,822)
Inter Group trans.	-	(2,477,747)	2,477,747	-	-	-
Total General funds	6,287,975	16,520,928	(16,222,463)	-	(219,210)	6,367,230
Designated funds	2,125,361	-	-	-	(10,000)	2,115,361
Fair value reserve	1,889,282	-	-	152,408	-	2,041,690
Total Unrestricted Funds	10,302,618	16,520,928	(16,222,463)	152,408	(229,210)	10,524,281
Restricted Funds						
Revaluation fund	1,040,389	-	-	(19,717)	-	1,020,672
Property fund	472,223	-	-	-	(5,000)	467,223
Programme funds	-	14,388,958	(14,649,853)	-	260,895	-
Groundwork South	-	2,008,536	(1,981,851)	-	(26,685)	-
Inter Group trans	-	(502,301)	502,301	-	-	-
Total Restricted Funds	1,512,612	15,895,193	(16,129,403)	(19,717)	229,210	1,487,895
Total Funds	11,815,230	32,416,121	(32,351,866)	132,691	-	12,012,176

23. THE FUNDS OF THE GROUP – 2023

	Brought forward 1.4.22	Incoming Resources	Resources Expended	Net gains/ (losses) on invest- ments	Transfers In / (Out)	Carried Forward 31.3.23
Unrestricted Funds						
General funds	6,319,149	12,951,090	(13,227,977)	-	318,219	6,360,481
Groundwork South	(283,779)	4,174,385	(4,123,312)	-	160,200	(72,506)
Inter Group trans.	-	(978,776)	978,776	-	-	-
Total General funds	6,035,370	16,146,699	(16,372,513)	-	478,419	6,287,975
Designated funds	2,135,361	-	-	-	(10,000)	2,125,361
Fair value reserve	2,144,132	-	-	(254,850)	-	1,889,282
Total Unrestricted Funds	10,314,863	16,146,699	(16,372,513)	(254,850)	468,419	10,302,618
Restricted Funds						
Revaluation fund	1,060,106	-	-	(19,717)	-	1,040,389
Property fund	477,223	-	-	-	(5,000)	472,223
Programme funds	-	14,368,318	(14,065,099)	-	(303,219)	-
Groundwork South	-	3,415,937	(3,255,737)	-	(160,200)	-
Inter Group trans	-	(770,950)	770,950	-	-	-
Total Restricted Funds	1,537,329	17,013,305	(16,549,886)	(19,717)	(468,419)	1,512,612
Total Funds	11,852,192	33,160,004	(32,922,399)	(274,567)	-	11,815,230

THE FUNDS OF THE CHARITY -2024

	Brought forward at 1.4.23	Incoming Resources	Resources Expended	Net gains / (losses) on invest- ments	Transfe rs In / (Out)	Carried Forward at 31.3.24
	£	£	£	£	£	£
Unrestricted Funds						
General funds	6,360,481	11,645,807	(11,362,341)	-	(245,895)	6,398,052
Designated funds	2,125,361	-	-	-	(10,000)	2,115,361
Fair value reserve	1,889,282	-	-	152,408	-	2,041,690
Total Unrestricted Funds	10,375,124	11,645,807	(11,362,341)	152,408	(255,895)	10,555,103
Restricted Funds						
Revaluation fund	1,040,389	-	-	(19,717)	-	1,020,672
Property fund	472,223	-	-	-	(5,000)	467,223
Programme funds	-	14,388,958	(14,649,853)	-	260,895	-
Total Restricted Funds	1,512,612	14,388,958	(14,649,853)	(19,717)	255,895	1,487,895
Total Funds	11,887,736	26,034,765	(26,012,194)	132,691	-	12,042,998

THE FUNDS OF THE CHARITY -2023

	Brought forward at 1.4.22	Incoming Resources	Resources Expended	Net gains / (losses) on invest- ments	Transfe rs In / (Out)	Carried Forward at 31.3.23
	£	£	£	£	£	£
Unrestricted Funds						
General funds	6,319,149	12,951,090	(13,227,976)	-	318,218	6,360,481
Designated funds	2,135,361	-	-	-	(10,000)	2,125,361
Fair value reserve	2,144,132	-	-	(254,850)	-	1,889,282
Total Unrestricted Funds	10,598,642	12,951,090	(13,227,976)	(254,850)	308,218	10,375,124
Restricted Funds						
Revaluation fund	1,060,106	-	-	(19,717)	-	1,040,389
Property fund	477,223	-	-	-	(5,000)	472,223
Programme funds	-	14,368,318	(14,065,100)	-	(303,218)	-
Total Restricted Funds	1,537,329	14,368,318	(14,065,100)	(19,717)	308,218	1,512,612
Total Funds	12,135,971	27,319,408	(27,293,076)	(274,567)	-	11,887,736

24. THE FUNDS OF THE CHARITY

Unrestricted Funds

General Funds

Funds available are sufficient to permit the company to continue in operation in the short term given the continued support of the funders. Should this support not continue in the longer term, further financial support would need to be sought to replace it. Where funds which are regarded as restricted are awarded based on outputs rather than actual costs any funds not applied against directly identified costs are

transferred at the year end to unrestricted funds to cover overhead costs not directly recharged. Income that has not been fully delivered or earned is deferred.

Designated Funds

The Designated Fund represents funds transferred from the general fund for the purpose of Groundwork London development. This includes the cost of the Morley Street property less the property depreciation charges.

Fair Value Reserve

The Fair Value Reserve is a reserve for the unrealised gains and losses on the charity's unrestricted fixed asset investments and investment property revaluations.

Groundwork South

These financial statements include the results of The Groundwork South Trust Ltd (registered co number 01982077, registered charity no. 293705) following Groundwork London becoming sole company member on 14th March 2017. The funds held in the group accounts represent the general funds of The Groundwork South Trust Ltd at 31st March 2024. Funds are transferred from unrestricted to restricted at the year-end on the basis that no restrictions exist on the income and expenditure recognised.

Restricted Funds

Revaluation Fund

A revaluation fund is required by the Companies Act 2006 where investment properties are revalued subsequent to their acquisition, or in the case of assets held prior to the mergers, transfer to the control of Groundwork London. The balance shown on the revaluation reserve in the accounts, represents the difference between the revaluation of the investment in the Denmark Hill property (in 2003) and its original cost.

Property Fund

The investment property fund represents the valuation of the properties. The properties are the public house at Denmark Hill Station, the workshops and flats at Artichoke Mews and the property at Lower Clapton Road.

The properties at Denmark Hill and Artichoke Mews are intended to be set aside so that the returns are used for the day to day expenses of the charity in relation to projects undertaken within the London Borough of Southwark. The property at Lower Clapton Road is a freehold property transferred from Groundwork East London. The trustees have set aside an amount equivalent to the value of the investment properties as designated funds. The revaluation surplus following the most recent valuation of the properties for Denmark Hill is held in a separate Revaluation Fund.

The investment income less the investment management costs are allocated to a "Property" restricted fund.

Programme Funds

Grants, which are received for specific programmes (Communities & Young People, Urban Landscapes and Open Space, Employment & Skills Training and Environmental Services), are accounted for as restricted funds. The balances on restricted funds arise from grants received for these programmes on which some expenditure is still to be incurred in the coming financial year. Where funds which are regarded as restricted are awarded based on outputs rather than actual costs, any funds not applied against directly identified costs are transferred at the year end to unrestricted funds to cover overhead costs not directly recharged. There were no restricted balances on these grant funded programmes at 31st March 2024.

Groundwork South

Income which is received for specific programmes (Greener Living and Working, Youth and Employment, Parks and Open Spaces) are accounted for as restricted funds. These financial statements include the results for the year of The Groundwork South Trust Ltd (registered co number 01982077, registered charity no. 293705) following Groundwork London becoming sole company member on 14th March 2017. The balance of funds in the group accounts at 31st March 2024 represent the total funds held by The Groundwork South Trust Ltd at this date.

25. RECONCILIATION OF CONSOLIDATED NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group		Charity	
	31.3.24	31.3.23	31.3.24	31.3.23
	£	£		
Net movement in funds	196,946	(36,962)	155,262	(248,235)
Investment income	(398,994)	(418,874)	(398,994)	(424,053)
Depreciation	98,634	111,175	84,168	96,405
(Increase) in debtors	(2,176,531)	(1,822,395)	(2,234,346)	(1,341,019)
Net loss/ (gains) on cash investments	(132,691)	274,567	(132,691)	274,567
Increase in creditors	(193,829)	224,615	(534,866)	372,441
Cash flows from operating activities	(2,606,465)	(1,667,874)	(3,061,467)	(1,269,894)

26. Analysis of changes in net debt

	Group		
	31.3.23	Cash flows	31.3.24
	£	£	£
Cash and Cash equivalents			
Cash	4,852,338	(2,277,348)	2,574,990
Overdrafts	-	-	-
Cash equivalents	-	-	-
	<u>4,852,338</u>	<u>(2,277,348)</u>	<u>2,574,990</u>
Borrowings			
Debt due within 1 year	-	-	-
Debt due after 1 year	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>4,852,338</u>	<u>(2,277,348)</u>	<u>2,574,990</u>

	Charity		
	31.3.23	Cash flows	31.3.24
	£	£	£
Cash and Cash equivalents			
Cash	4,384,910	(2,732,350)	1,652,560
Overdrafts	-	-	-
Cash equivalents	-	-	-
	<u>4,384,910</u>	<u>(2,732,350)</u>	<u>1,652,560</u>

26. Analysis of changes in net debt – cont'd

	At 31.3.23 £	Cash flows £	Other Non-Cash change £	At 31.3.24 £
Borrowings				
Debt due within 1 year	-	-	-	-
Debt due after 1 year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>4,384,910</u>	<u>(2,732,350)</u>	<u>-</u>	<u>1,652,560</u>

27. FINANCIAL INSTRUMENTS

	Charity	
	31.3.24 £	31.3.23 £
Financial Assets		
Financial assets measured at fair value through income and expenditure	3,016,690	2,864,282
Financial assets that are debt instruments measured at amortised cost	<u>9,136,153</u>	<u>9,517,518</u>
	12,152,843	12,381,800
Financial Liabilities		
Financial liabilities measured at amortised cost	<u>(2,145,621)</u>	<u>(1,702,153)</u>
	<u>10,007,222</u>	<u>10,679,647</u>
	Group	
	31.3.24 £	31.3.23 £
Financial Assets		
Financial assets measured at fair value through income and expenditure	3,016,690	2,864,282
Financial assets that are debt instruments measured at amortised cost	<u>10,127,832</u>	<u>10,810,592</u>
	13,144,522	13,674,874
Financial Liabilities		
Financial liabilities measured at amortised cost	<u>(2,338,275)</u>	<u>(1,903,693)</u>
	<u>10,806,247</u>	<u>11,771,181</u>

Financial assets measured at fair value through income and expenditure comprise fixed asset investments in UK listed investments.

Financial assets measured at amortised cost comprise all cash and cash equivalent balances and debtor balances, excluding prepayments and accrued income.

Financial liabilities measured at amortised cost comprise all creditor balances except deferred income.

28. CAPITAL COMMITMENTS

At 31st March 2024 there were no capital commitments or contingent liabilities for Groundwork London or Groundwork South.

29. RELATED PARTY TRANSACTIONS

Transactions between the charity and its wholly controlled subsidiary are not disclosed, as permitted by the exemptions set out in Section 33.1A of FRS 102 (Related Party Disclosures).

30. ACKNOWLEDGEMENTS

Groundwork London thanks all its supporters.

GROUNDWORK LONDON

England & Wales - Charity number 1121105

Accounts

Annual Report and Financial Statements 2022/23

Groundwork London

(A company limited by guarantee)

18 – 21 Morley Street

London

SE1 7QZ

Registered Charity No. 1121105

Registered Company No. 04212532 (England and Wales)

Contents

	Page
Report of the Trustees	3
Chair's Report	4
About Groundwork	5
Objectives and Activities	6
Public Benefit Statement	6
Strategic Report	7
Achievements and Performance	8
Financial Review	14
Future Plans 2023/24	15
Principal Risks and Uncertainties	18
Reference and Administrative Details	20
Structure, Governance and Management	21
Statement of Trustees' Responsibilities	24
Independent Auditors' Report	25
Consolidated Statement of Financial Activities	29
Charity Statement of Financial Activities	30
Consolidated Balance Sheet	31
Charity Balance Sheet	32
Consolidated Cash Flow Statement	33
Charity Cash Flow Statement	34
Notes to the Financial Statements	35-54

Report of the Trustees for the year ending 31 March 2023

The trustees are pleased to present their annual directors' report together with the consolidated financial statements of the charitable company and its subsidiaries for the year ending 31 March 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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).

Groundwork London's operational focus is primarily on London; the City of London and the 32 London Boroughs. Groundwork London is also the sole company member of Groundwork South whose operational focus is on the South East and South West regions of England, and that part of the District of Three Rivers within the Colne Valley Regional Park. Where specialist services are required, these are delivered across both Trust areas by specialist teams.

Both Trusts have a Board of Trustees who are principally responsible for the strategic oversight and governance of Groundwork activities within their operational areas. Each Trust has its own business plan defining the activities it plans to deliver in its area of operation. Each Trust will produce an Annual Report and Financial Statements. This report includes the consolidated financial statements of Groundwork London and its subsidiaries, details of charitable activities within the two operation areas will be described separately within each company's annual report.

Chair's Report

Groundwork London works with communities across the capital to transform their lives and the places they live. We are operating in a city facing great social, economic and environmental challenges.

Over 2.5 million Londoners are living in deprivation, with many struggling in areas such as economic inequality, social stress, health and wellbeing, food and fuel poverty, environmental quality, and the impacts of a changing climate. Our work supports these diverse and vulnerable communities to find practical, long-term solutions to many such challenges.

Sadly, the need for our work continues to grow as communities and individuals struggle under these pressures. Last year, despite the challenges to the delivery of services, we exceeded our business plan targets significantly delivering over 600 projects to a value of £27.3m.

We did not do this on our own. The strength of our approach lies in the relationships we build and maintain with our funders and partners across the public, private, and voluntary sector, and within the communities themselves.

We offer our sincere thanks and appreciation to our staff, trustees, partners, and volunteers for all the hard work and passion they continually give to everything they do. It reminds us that we all share a vision for the future: where every Londoner can thrive and benefit from a greener, safer, healthier, and more equitable city.

We are pleased to present our 2022/23 Annual Report, demonstrating the difference we've made to the lives of thousands of Londoners.

As a member of the Groundwork Federation, we are proud to support our neighbouring Trust Groundwork South as our wholly owned subsidiary. Groundwork South has changed significantly in the last three years to ensure efficient and effective delivery of high quality services across the South East and South West of England, and will present its own Annual Accounts.

Whilst we take this time to reflect on our successes to date, it's important to also look towards the future. We know that the social, economic and environmental impacts have been immense and will be felt for many years to come, and that the poorest of our communities will be the most greatly affected.

We will continue to create and deliver services to meet the changing needs of London and its most in need communities, by working to three key strategic objectives:

- **Improving people's prospects** - delivering support to increase the confidence, skills, well-being, and employability of young people and adults.
- **Creating better places** - supporting communities to work together in making their neighbourhoods safer, healthier, greener, and more resilient to climate change; and enabling their active involvement in the decision-making concerning the services in their area.
- **Promoting greener living and working** - helping people, organisations, and businesses to learn more about their environmental impact and how they can behave more sustainably; addressing food and fuel poverty; and improving health and wellbeing.

We thank you all and look forward to working with you.



Alan Smith
Chairman

About Groundwork

Vision

Our vision is of a society of sustainable communities which are vibrant, healthy and safe, which respect the local and global environment and where individuals and enterprise prosper.

Mission

Our mission is to transform lives and places in communities in need.

Our core values:

- **equality and diversity** - valuing differences and treating everybody and all things with respect
- **innovation and learning** - always looking for new and better ways of working
- **subsidiarity** - making decisions at a level as close as possible to the communities we serve
- **integrity and professionalism** - maintaining high personal and professional standards
- **partnership** - working alongside communities, public bodies, higher and further education institutions, private companies and other voluntary sector organisations to deliver maximum benefits to people, places and businesses
- **sustainability** - respecting nature's limits and the needs of future generation

Our Approach

- **We operate within the Federation of Groundwork Trusts** - sharing learning and identifying local opportunities to national programmes, as well as collectively mobilising practical community action to accumulate impact on poverty and environmental issues right across the UK.
- **We work with others** - we collaborate with individuals, communities, Local Authorities, the Mayor of London and other public sector organisations, regional bodies, the private sector and the voluntary/charitable sector to deliver positive change in London.
- **We join things up** - we bring our skills and expertise and forge strong partnerships that enable us to deliver maximum impact for communities and maximum value for money for those who help us do it.
- **We support those in most need** - we provide targeted and inclusive support tailored to address the specific needs of vulnerable, excluded or diverse communities and tackle material hardship by building skills and capacity.
- **We innovate** - we pilot and test new solutions and approaches. We embed successful practice in our future work and share our learning with others.
- **We measure our impact** – we focus the time and resources, as well as work with others, to really understand the impact of our work and the social value we are achieving.

Objectives and Activities

Charitable Objectives

Groundwork London's charitable objectives are set down in its Articles of Association, they include:

- to advance public education in environmental matters and other ways of better conserving, protecting and improving the same wheresoever;
- to advance the education of the public in subjects relating to sustainable development and the protection, enhancement and rehabilitation of the environment and promote study and research in such subjects;
- to promote the efficiency and effectiveness of charities in the direct furtherance of their objects; And within the area defined as London, the South East and South West regions of England, and that part of the District of Three Rivers within the Colne Valley Regional Park;
- to promote the conservation, protection and improvement of the physical and natural environment
- to provide facilities in the interest of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for those living or working in or resorting to the area;
- to promote for the public benefit urban and rural regeneration in areas of social and economic deprivation;
- to promote sustainable development for the benefit of the public;
- to promote the efficiency and effectiveness of the voluntary sector for the benefit of the public by the provision of information, support and advice to local community based groups.

Strategic Objectives

To deliver our charitable objectives we:

- Create and deliver programmes and projects to meet the needs of local communities:
 - Improving people's prospects
 - Promoting greener living and working
 - Creating better places
- Build productive relationships and partnerships, influence and shape policies and share learning
- Maintain a strong, viable business, achieving excellence in service delivery

Public Benefit Statement

All Groundwork London's activities contribute to the achievement of our strategic aims & objectives and are undertaken to further our charitable purposes for the public benefit. Our main activities and who we try to help are described below. We review our aims, objectives and activities each year in the Business Planning process. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are established to help. The review also helps us ensure our aim, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Grant Making Policy

The Trust administers applications for various grants schemes on behalf of partnerships with local authorities and other Public Agencies. The Applications are reviewed against specific criteria and business objectives, which are set out by the grants panels and awarded to constituted groups.

Strategic Report

Working with Groundwork South

Groundwork London is a member of the Groundwork Federation, together we are working locally and nationally to transform lives in the UK's most disadvantaged communities. In 2017 Groundwork London agreed to provide financial support and to become the sole company member of Groundwork South, to enable the Groundwork South Trust to continue to deliver Groundwork services in areas of need.

Groundwork South continues to operate with its own identity, its own geographical focus and with its own Board of trustees as an independent charity and company limited by guarantee. We are proud to support the Trust which has undergone significant change to ensure the effectiveness and efficiency in its operations whilst continuing to deliver high quality services across the South East and South West of England.

In future years, Groundwork South will continue to operate as an independent Trust, and will benefit from both Trusts working together through executive, finance and support services functions. Groundwork South, does not currently deliver all 'Groundwork services' across its area, in future, highly specialised services will be provided with leadership from Groundwork London whilst delivery will continue to be embedded in local areas; and delivered by the Groundwork South team.

Groundwork South has produced its own annual accounts for 2022/23. Their annual report and accounts demonstrate the considerable contribution the Trust is making to Changing Places and Changing lives in the South East and South West of England.

Financial Review

Groundwork London has determined to voluntarily provide a Statement of Financial Activity for 2022/23, as well as the required consolidated accounts for Groundwork London and Groundwork South (as its wholly owned subsidiary) for the same period.

The consolidated statement of financial activities for Groundwork London and for Groundwork South for the year ended 31st March 2023 shows a total income of £33.160m. The consolidated balance sheet shows total Funds of £11.815m of which £3.637m is designated and restricted reserves.

Groundwork London's subsidiary, Groundwork South, has a surplus at 31 March 2023 of £211,273. Groundwork South made financial losses in the years in and prior to 2018/19. Following a restructure of governance and management in 2018, GWS is now operating at a surplus with £211,273 confirmed in the statutory accounts for the year ending 2022/23 and previously £79,537 in 2019/20, £8,952 in 2020/21 and £191,906 in 2021/22. This has reduced the balance sheet deficit to £72,506 at 31st March 2023.

GWS is committed to retaining surpluses until GWS has 180 days of unrestricted reserves which we estimate will take 2 years. As explained in the Trustee Report, by virtue of the loans from GWL, GWS continues to operate as a going concern.

The remainder of this Strategic report focuses on Groundwork London.

Related Party Transactions

The Trust is supported by Groundwork UK and the national Federation of Groundwork Trusts and has strong links and collaborative working arrangements with other Trusts within the Federation. Each Trust is an independent charity, but they all share a similar ethos. Each Trust is responsible for its own management and administration, and for developing and delivering projects, that meet its objectives and core purposes.

The SORP determines that a charity is not necessarily related to another charity simply because a particular person happens to be a trustee of both. It will only be related if one charity subordinates its interests to the other charity in any transaction because of this relationship. The Federation of Groundwork Trusts and other Groundwork Trusts are therefore not considered to be related parties under the definition of the SORP and the grants made by the Federation to individual Trusts do not require separate disclosure.

Strategic Report

Groundwork London's principal focus is on delivering activity to meet the needs of London and Londoners.

Achievements and Performance

Groundwork was established over 35 years ago, at a time of political, social, and economic challenge, as an experiment to help communities find their own answers to the problems they face. Today, we face a myriad of similar, emerging, and new challenges, where the need for Groundwork services and support is even more critical.

2022/23 saw the UK and the world emerge to new ways of life and new ways of working, whilst wrestling with the ongoing impacts and influences of the COVID-19 pandemic. It was also the year that we started to better understand and realise the impacts (both positive and negative) of the UK leaving Europe.

With London's population approaching 10 million and with the number of Londoners living in poverty estimated to be 2.3 million people, our staff teams have worked relentlessly to deliver much needed services to communities in need. Last year, we responded by growing and delivering over 600 projects, targeting the most disadvantaged, hardest hit communities and continuing to adapt our ways of working in response to the political, social, economic, and ever-increasing environmental challenges.

Our work was delivered in partnership with Local Authorities, Housing Associations, London regional agencies, the private sector, and other voluntary organisations. We have progressed positive working relationships within the London Boroughs of Haringey, Camden, Croydon, Barnet, Brent, Islington, Hammersmith & Fulham, Ealing, Hounslow, Wandsworth, Lambeth, Southwark, Lewisham, Newham, Hackney, Waltham Forest, Enfield, the Royal Boroughs of Kensington & Chelsea, Kingston-Upon-Thames and Greenwich, and the City of Westminster.

We delivered 49 projects involving Housing Association partners last year, reflecting the needs of residents supported by Housing Associations. Our plans to continue building new and strengthening existing relationships with corporate partners, through the employee volunteering route, have continued to grow following COVID-19 as we increased our engagement with 72 corporate organisations.

We continued to build on productive relationships with regional bodies, and in particular the Greater London Authority (GLA), delivering 69 programmes involving regional support and delivery agencies. As part of our strategic work, we continued to serve on the Cross River Partnership Board, the All London Green Grid Steering Group and our Community Interest Company – *Our ParkLife* with Equans, Renaisi and Idverde.

Internally, we delivered several business performance and improvement measures. We retained our environmental management standard ISO14001, which we have held since 2008; and maintained our Health & Safety standard CHAS; and Achilles which covers Quality, Health & Safety, Environment and Corporate Social Responsibility. We also maintained our accreditation as 'Disability Confident' in our recruitment practises. We retained our Matrix accreditation in recognition of the advice and guidance we offer our trainees and volunteers; and we have maintained our Volunteer Centre and Investors in Volunteering accreditations.

During the year, most of our staff returned to field-based work, face-to-face and out in places and sites to deliver their work. As offices were equipped, other staff progressed hybrid working models with increased time spent in offices or other project-based locations.

At the end of the year, we launched the Health Shield Cash plan, which enables staff to reclaim costs against certain essential health services. We have maintained our wellbeing notice board featuring resources such as the Groundwork Employee Assistant Programme with helplines, counselling, online resources, and staff have contributed articles and photos about their work and interests to our regular staff newsletter.

We have in place a Mental Health First Aid network to support both our staff and volunteers. We have also continued to offer mental health awareness training to many senior managers and other staff across the Trust.

In 2020, we agreed on our new Groundwork London 2025 strategy through Trust-wide engagement, seeking the input, views, and ideas from Trustees and our colleagues across the organisation. This strategy underpins our annual Business Planning and is reflected in the future plans section of this report. It also led to the establishment of Task and Finish groups, which resulted in improvements to recruitment, training & development, and induction practices. In 2022, we published our equity, diversity and inclusion survey and action plan. Overall, the findings were positive and show most participants agree or strongly agree that Groundwork is supporting equity, diversity, and inclusion. There were also lessons to be learnt and areas highlighted where improvements can be made. Our action plan focuses on 3 key areas: raising consciousness and actions for equity, diversity & inclusion; diversity in our employees and at senior levels; communications.

From a financial perspective, 2022/23 was a successful year as we continued to operate our fiscal management based on full cost recovery, achieving our target staff utilisation rate of 84% and maintaining total indirect staff and overheads at 7% of total income.

We continued to make the most of revenues from property rental income and applying these valuable resources to new programme innovation and development.

We have delivered an incredible range of work during the year, despite all the challenges of the pandemic. Our achievements, described below, are a result of the exceptional time and effort of our colleagues across the Trust adapting to new ways of working, being innovative and determined to continue to support individuals and communities in need.

Improving people's prospects – *delivering support to increase the confidence, skills, well-being, and employability of those furthest removed from the labour market, in particular, young people.*

We believe that supporting people into long-term, sustainable work brings them the economic and social stability that can be life changing and is a key factor contributing to strong and thriving communities. This is why we deliver an extensive portfolio of employment and skills programmes in London. Through these programmes, we help hundreds of Londoners every year to grow in confidence, gain new skills, and take that step into work. We work with young people, people with disabilities or health conditions, refugees, and many other Londoners who are facing barriers to employment.

In partnership with our private and public sector employers, we deliver training and pre-employment programmes designed to increase the confidence, skills, and overall employability of Londoners facing the greatest barriers to employment.

2022/23 saw the start of a challenging period for the Employability industry as a whole with the cessation of EU funding at the end of 2023. All employment programmes we started during 22/23 had a very quick mobilisation period and we had no longer than twelve months to work with clients through to outcome to ensure that all monies are claimed from the EU by 31st December 2023.

Within this period, the volume of job vacancies for our clients continued to grow building on the increase we saw as the economy reopened post Covid-19. One of the key areas of focus has been retraining clients, particularly in hospitality, to replace the skills the industry lost, due to Brexit.

This has led to a strong performance in supporting people into training or employment, particularly with job entry.

Across our employment programmes in 2022/23 we registered just under 1,000 clients onto our programmes, moved 72 aged 16-24 into training and education, assisted 120 aged 18-24 to gain paid employment and moved over 400 clients of working age 18+ into work, some for the first time in several years.

We continued to focus on jobs in the green economy. Through our contracts from the GLA to boost growth in London's Green Sector and launch a Green Space Skills Academy we are supporting employers to increase the skills of their workforce; supporting colleges to adapt provision; and provide more support for unemployed Londoners to access vacancies.

We continued deliver of our Green Teams and commenced a new programme, funded by Segro, creating new community green spaces in five London boroughs. Capacity increased within Rework, our domestic appliance repair workshop, as our charity retail partners reopened their stores.

Westminster Wheels, our training, and bike refurbishment project with Westminster City Council and Cycle Confident, which opened its doors the previous year, launched its bike servicing to the public, helping increase income to aid future sustainability.

We received funding from Grosvenor's Greener Futures programme to run our Westminster Green Team and fund the wages of trainees on the Green Team and in Westminster Wheels.

Groundworks' mental health and well-being offer to young people 0-25 in Southwark has experienced significant growth during 2022/23, the Mental Health Support Team has doubled in size to 12 full-time practitioners and The Nest has created The Nest Plus services which is responding to the communities needs by delivering mental health support services from satellite locations across Southwark such as GP surgeries, community and faith-based organisations.

We received continued funding for our parent/carer projects which are an exemplar of best practice and The Nest School Engagement Team, have provided low-level mental health interventions for schools across the Southwark. Through the Mental Health support team we interacted with over 2220 with clients, engaged over 160 young people and worked with 15 schools. At The NEST we received 475 referrals and worked with 357 clients. Feedback highlights that 80% would recommend the service to family and friends. Other areas in the youth portfolio consisted of overseeing the delivery of two GLA multi-million pound contracts, our Achievement Coaching and Aspire Programme supported vulnerable young people at risk of not progressing to positive post 16 destinations and being vulnerable to NEET (Not in Education and Employment). Aspire Higher worked with young people in alternative provisions who were either embedded or at risk of getting involved in gangs or serious youth violence.

Our focus is on developing their educational skills to sustain in education, training and employment; helping young people manage successful transitions between key stages at school and developing career plans; improving behaviour, attendance and reducing persistent absenteeism; supporting their mental health and ability to deal with the multiple challenges of life; and enabling young people to access timely intervention support and wrap-around activities in and out of school.

Our Achievement Coaches engaged 300 young people, enabling 280 to sustain their engagement in education for 6 months; more than 220 engaging for over 12 months and 115 for 15 months.

Our Aspire Higher team engaged with 180 young people, with 173 remaining engaged for 6 months and 97 for 12 months.

Late in 2022, Groundwork was awarded funding by the Berkley Group to deliver a bespoke youth leadership programme for young adults. The 14-week programme will support over 260 disadvantaged young people in London and the Southeast of England who are at risk of becoming NEET (not in education, employment or training). The course curriculum incorporates leadership skills workshops and a social action project, empowering participants to make a positive difference in their community and engage with nature, often for the first time.

The curriculum has been written in collaboration with schools and will adapt and evolve as delivery continues.

Groundwork London's community team specialise in social integration projects with older adults, refugees and migrants. Our work focuses on building social connections, improving mental health and wellbeing and promoting inter-cultural understanding through the delivery of a wide range of sessions including orienteering, cooking skills, arts and craft, wellbeing walks and living well sessions, conversational English, gardening, food growing and carpentry. In 22/23, the Together programme for refugees and migrants delivered 641 social integration activities or workshops, attended by 2956 individuals. In a recent evaluation 95% of respondents stated their confidence had increased through the attendance of these sessions and 96% felt more settled in the UK.

Our Volunteer Centres in Kingston and Barnet continue to evolve and grow, building on the exemplary work throughout COVID. Capitalising on the profile and enthusiasm to volunteer seen throughout the pandemic, our work continues to support prospective volunteers identify volunteering opportunities in their community and build the capacity of volunteer involving organisations to develop good volunteer management practise.

Our work often focuses on target audiences and partnerships. In Kingston we have focused on supporting disabled residents, refugees and those out of work to access volunteering. In Barnet through partnership working with Young Barnet Foundation, Inclusion Barnet and the council, Groundwork London has established the Barnet Together Alliance securing long-term funding for volunteering provision Borough-wide.

Additionally through the Barnet Together partnership, Groundwork London has led the Barnet Food Hub operations since November 2020. The hub focuses on distributing surplus food to 17 foodbanks in Barnet and 10 community-based food aid organisations each week, all working to reduce food insecurity for residents and households in the borough. During the year Groundwork London distributed 219,588 Kgs of surplus food. This is the equivalent of 531,913 meals and 832,620 kg of CO2 emissions avoided. In the month of April 2022, approximately 9000 food parcels were distributed by the Barnet Food network. In March 2023, the monthly distribution had increased to 16,000 food parcels. The Food Hub is responding by establishing new partnerships with food suppliers, including supermarkets, farmers and other growers to increase the amount of surplus food collected and distributed. Building on this success in 2022/23 Groundwork successfully secured a new contract to lead food hub operations for the Waltham Forest food Hub.

Promoting greener living & working – helping people /and businesses learn more (about their environmental impact and act responsibly to reduce natural resource use and improve their health.

Fuel poverty continues to affect London's most vulnerable residents, with some GLA modelling showing that it could potentially impact as many as 24% of London households. It's families with young children, the elderly and those with existing health conditions that suffer the most acute effects of this through mental stress, poor health, and wellbeing.

During 2022/23 Green Doctors supported over 3000 households in fuel poverty, helping people save £565,204 through our energy saving advice and free energy saving measures. On average we save household approximately £244.14 per year on their energy bills.

In addition to the vital financial savings which helped people through the cost of living crisis we have supported Londoners to live in more sustainable homes by provided 11,931 free energy saving measures (LED Light Bulbs, Radiator Panel, draught proofing etc.) and supporting 438 households to apply for larger energy efficiency improvements (Insulation, heat pumps, efficient boilers) to their homes. This has helped save London Households 185 tonnes of CO2 emissions.

We have also seen a rise in people requiring additional support for the replacement of household items such as washing machines, fridges, oven etc. to support these people we have successfully applied for grants for 26 households to purchase these essential items.

The service has also expanded geographically across London, and we now offer a service in 16 London boroughs with the addition of services in Enfield, Waltham Forest and City of London added in 2022/23.

Having successfully delivered resource efficiency support to small-medium sized enterprises (SMEs) up until 2010, we have re-established ourselves in this field by securing a new programme to support 50 London Borough of Brent based SMEs with energy and carbon reduction audits. Alongside this we managed a Brent council grant fund for participating businesses to provide up to 60% of the cost of their audit recommendations. This saw Brent businesses installing solar panels, air source heat pumps, LED lighting, new heating systems and other green technologies.

London could face severe water stress within the next two decades, with climate change bringing hotter, drier summers and less predictable rain patterns – while water usage and population growth is also increasing in the capital. One of the solutions is for domestic properties and businesses to use, and waste, less water. Through a combination of behaviour change, water saving device fitting and leak fixes, we supported a total of 25,000 customers of Thames Water (4,000) and Affinity Water (21,000) to reduce their water consumption, as well as using our experience and expertise to begin other new contracted and pilot programmes with 3 other water companies in the South of England at the start of the 22/23 financial year.

Our Thames Water funded 'Smarter Business Visit' programme in London, delivered 2ML per day water savings, focusing extensively on schools and other high footfall venues in the capital. As with the domestic programmes, we deliberately targeted new commercial programmes in other water company supply areas, and have now secured business programmes with South West Water and Wessex Water, delivered through and in partnership with Groundwork South.

Our community reuse hubs, The Loops, which we set up in 2015 on the Pembury Estate and Grahame Park Estate, as part of the EU LIFE funded REPURPOSE programme continue to provide essential services for local communities. Again, our services, collecting unwanted furniture and household appliances from residents' homes, which are repaired and sold on to residents at low cost, have resumed. The Loop @ Grahame Park continues to be a community hub, supporting and engaging its volunteers, providing workshops and training on themes such as repair and crafts. All the money raised from sales is reinvested into the project, to buy workshop equipment, and to provide more local events and free training. These sites also provided great opportunities for engaging smaller corporate groups through employee volunteering – offering a unique insight into furniture upcycling and volunteering activity that could be delivered all year round.

We piloted a new and innovative sustainability initiative on the high street – The Good Store – which was set up on South Molton Street near to Bond Street station in the West End. The Good Store offered a unique retail experience focusing on developing the sustainability market with a catalogue of green and start-up brands providing green shopping opportunities in clothing, accessories, homeware, furniture, toys and beauty products.

Across all our programmes we diverted over 520 tonnes of waste from landfill and achieved overall savings of over 7,870 tonnes of CO₂ emissions.

Our health-focussed work continues to grow on the frontline, with a team of 17 social prescribing link workers providing support to patients within GP practice across the London Borough of Hounslow. In Barnet, the previously named COVID Health Champion project has evolved to focus on wider health priorities, including childhood immunisations, mental health, living with COVID and cardiovascular diseases. 294 Health Champions attend workshops and training to build knowledge in these topics and then share resources provided by Groundwork and Barnet Public Health with their social networks, and we set up a new programme supporting vaccine grants working with communities in Barnet.

Creating better places – *supporting people to work collectively to make their surroundings greener, safer, and healthier and be actively involved in the way decisions are made about services in their area.*

We continued to manage a broad portfolio of grant programmes distributing £9.5m of funds on behalf of national, regional and local partners, supporting nearly 650 grass roots community organisations across the capital. We have been targeting grant funding administration opportunities to mirror the breadth of our own delivery services, where we can provide valuable insight to partners and funding beneficiaries on the co-design, effective selection and delivery of projects that improve communities through public space enhancement, tree planting, green travel choices, energy efficiency support and projects to increase integration, community safety, access to culture, skills development and employment.

The breadth of the London Landscape Team's expertise and experience is represented in its expansive project portfolio that spans much of the profession's core work areas, including: developing climate adaptation and resilience; enhancing biodiversity and water management; introducing SuDS in both new landscapes and, increasingly, more challenging retrofit schemes; seeking opportunities for planting and design schemes to enhance air quality; designing innovative natural, incidental and formalised play spaces; improving access to open and green spaces; hard and soft urban landscape design; and enhancing and revitalising historic landscapes and heritage assets.

Our approach is to co-design solutions with local communities, to ensure the designs are based on residents' aspirations and priorities.

In 22/23, Groundwork London improved 510,000 square meters of land through a range of services, including community gardening, corporate volunteering and landscape design.

Landscape projects have included a strategic review and Nature Based Solution designs being created at 4 schools and 1 community centre in LB Newham, which are located in areas of high air pollution and in climate and flood risk areas.

We continued work in the London Borough of Camden to progress a series of projects that mitigate the disruption of HS2, including SuDS systems to help alleviate flooding issues and burden on the combined sewer systems.

We delivered a co-designed, imaginative and transformative environmental improvement programme at 5 housing estates in Hounslow. Through our unique, interdisciplinary approach we successfully brought together our Design Team's technical expertise and creativity with residents' local knowledge. We designed and delivered a multi staged, iterative engagement process, leading to improvements including upgrades to existing play areas, creating sensory and tactile play experiences which cater for varied ability levels; community gardens with new benches and picnic tables, and colourful, wildlife friendly planting; and trees and attractive, naturalistic planting.

The size of our community gardening team increased in 22/23, to reflect the expansion of community gardening projects. Our community gardeners work in multiple settings, including meanwhile spaces, schools, open spaces and on housing estates. They work with a wide range of participants, including children in school settings, SEN children, refugees and migrants and older adults.

The QEOP Welcoming Wellbeing Walks project trained 24 Our Parklife's Park Champions to co-deliver Welcoming Wellbeing Walks for 45 participants with refugee status and their families. The wellbeing walks introduced the participants to the local area and all its flora/fauna, accompanying them in their integration journey to accessing green spaces and observing nature, developing language proficiency and reducing social isolation.

We have been working at sheltered housing schemes in Haringey since 2018 to encourage residents to engage with nature. The programme encompasses hands on gardening, skills development and encourages residents to form social bonds. A key aspect of the programme is to encourage residents to take 'pro-nature' actions outside of sessions. For example, by providing plant/herbs for people to take away and grow on their window sills, seed bomb-making and encouraging people to plant plants that benefit local wildlife in window boxes/hanging baskets/in their gardens.

EcoFit is a council-funded horticulture training course for adults with learning disabilities and long-term mental/physical health conditions. It has been running for 10 years, predominantly in Holland Park, and is currently structured around a six-week AQA program. GL's community gardeners have consistently met contract targets/KPIs, including c.70 participants with mental/physical health conditions engaged per annum, delivering 46 AQA qualifications and referring 23 participants onto other volunteering/training/employment programmes.

The Federation GIS (Geographic Information System) programme allows various Groundwork Trusts to use the ESRI ArcGIS mapping platform to create and share content both internally and publicly with their stakeholders. A few projects that have been shared through this platform include: the Groundwork Manchester StoryMap, Cheshire, Lancashire & Merseyside StoryMap, and the Tesco Bags of Help grant programme web map application.

Through the ESRI ArcGIS platform, Groundwork Trusts also have access to a data store, which enables them to easily access useful, relevant data for projects and grant applications. The StoryMap helps to increase communication about ongoing and completed projects among the various organisations that make up the partnership.

Groundwork London Financial Review

Groundwork London has determined to voluntarily provide a Statement of Financial Activity for Groundwork London 2022/23 as well as the required consolidated accounts for Groundwork London and Groundwork South (as its wholly owned subsidiary) for the same period. The financial review of the group is described earlier in this report.

Groundwork London shows income achieved in the year of £27,319,408 with expenditure of £27,293,076.

Principal Funding Sources

Funding for Groundwork London was provided by the following sources:

	£
Local Authorities	6,663,845
Public and Regional Agencies	12,338,115
European Union	3,004,524
Private Sector	4,847,615
National Lottery	465,309
	<u>27,318,408</u>

Reserves Policy

The Board of Trustees has agreed a long term aim of holding unrestricted, free reserves equivalent to six months' (180 days) running costs. The Board believes this is a prudent level of reserves for a Charity based in Central London and is in line with other Groundwork Trusts.

The Board has agreed that a reasonable level of reserves is required to:

- absorb short term setbacks such as loss or delays in funding
- finance working capital needs and fund time delays between the expenditure and receipt of funds
- set aside funds for appropriate capital assets such as IT equipment and securing and developing suitable premises

The Board monitor unrestricted reserves on a quarterly basis and the Reserves Policy is reviewed on an annual basis to assess the needs of the organisation.

At the year-end unrestricted reserves shown in the balance sheet covered 190 days (2022: 155 days) running costs. The reserves days includes the consolidation of Groundwork South's accounts into the Groundwork London accounts.

Future Plans 2023/24

In line with our new strategy: Groundwork 2025, our ambition is continue to be a significant force for changing places and changing lives across London. During 2023/24 Groundwork London will work to three strategic objectives through which we expect to meet the challenges posed by London's operating environment:

1. Creating and delivering services to meet the needs of London and Londoners.

Delivering high quality, innovative actions with multiple economic, social and environmental benefits will be central to all that we do. Our priorities are:

Improving people's prospects – delivering support to increase the confidence, skills, wellbeing and employability of young people & adults.

Promoting greener living and working – helping people, organisations and businesses learn more about their environmental impact and act responsibly to reduce natural resource use; address food and fuel poverty; and improve health and wellbeing.

Creating better places – supporting people to work collectively to make their surroundings greener, more resilient, safer and healthier; and be actively involved in the way decisions are made about services in their area.

2. Building productive relationships and partnerships, influence and shape policies and share learning

The success of our work is reliant on building long-term, cross sector alliances to develop collaborative business opportunities and by adding value to local and regional strategic partnerships. We will focus on:

- Developing and expanding our associations with the London Boroughs and the Housing sector
- Exploring and creating new programme activities with the GLA and TfL, London Councils, and the London Strategic Waste Authorities, Health commissioners and providers and academic institutions
- Develop new services for residents and businesses with utilities companies and expanding our work with the corporate sector
- Provide management and Board support to Cross River Partnership, London Community Resource Network and Our Park Life
- Working with the voluntary sector and other community support organisations
- Working with the members of the Groundwork Federation on business development, peer support and the future development of the Federation

3. Maintaining a strong, viable business, achieving excellence in service delivery

We will continue to innovate, evolve and grow as an organisation building on our experience, our successes and learning including the positive experiences emerging through COVID-19 delivery. We will continue to improve how we plan, deliver and measure the impact of our programmes, whilst enhancing our organisational capabilities, internal systems and operations ensuring that we are:

- Fostering a culture of equity and inclusion
- Enabling collaboration
- Driving innovation
- Demonstrating and promoting the value and benefit of our services
- Focusing on those in most need
- Continuing to invest in our competencies, professionalism and specialist skills
- Diversifying our funding
- Better understanding the climate impact of our programmes

As we continue to evolve and grow as an organisation we build on our experiences, successes, and learning. We are committed to fostering a culture of equity and inclusion and support participative and integrated working across all staff teams. We will progress actions identified through our EDI staff and trustee survey in 2022 with a focus on; raising our consciousness and actions of Equity, Diversity & Inclusion; diversity in our employees and at senior levels; and communications. We view promoting equality in the workplace as an ongoing endeavour; we aim to ensure our approach and processes continue to be aware and responsive to continuous improvement.

We will also ensure that Groundwork activity is sustained and developed across the South of England through our wholly owned subsidiary Groundwork South. We will do this via financial support in the form of loans and through leadership and management of defined specialist activities. Groundwork South will present its own business plan focused on the communities in South East & South West England.

We will deliver:

Community spaces: Enabling community led environmental improvements to publicly accessible open spaces. We will:

- Inspire, mobilise and support people to take a more active role in improving and managing the local spaces that matter to them
- Focus activity in neighbourhoods where there is more limited access to high quality open space
- Work creatively with councils and other partners to maximise the social, economic and environmental benefits of green spaces

Green infrastructure: Providing technical expertise in sustainable land management and climate change adaptation. We will:

- Provide technical expertise, including sustainable urban landscape design and Geographic Information Systems mapping intelligence
- Create spaces that are resilient to the changing climate, and that meet the needs of local communities for sport, play and recreation and enhance London's nature and heritage
- Develop understanding and expertise around carbon sequestration from our green space projects

Health & Wellbeing

Encouraging physical activity, improving mental health, promoting healthy eating and addressing environmental causes of health problems. We will:

- Encourage and enable people to improve their health and well-being through physical and sporting activity, or the participation in social prescribing initiatives
- Help people improve their mental health through specialist support, well-being coaching and signposting
- Address food poverty by supporting food distribution, promoting community food growing and healthy eating initiatives
- Focus on improving, and helping Londoners adapt to, major environmental issues that contribute to poor health such as poor air quality or extreme weather events

Social integration

Using a community participation approach to create stronger, more cohesive communities, to improve the quality of life and opportunity. We will:

- Tackle the social, physical and practical barriers to inclusion, including knowledge and skills, perceptions and confidence, and access issues such as digital exclusion
- Help socially isolated individuals through activities such as 1-2-1 support and creative group workshops
- Support the integration of marginalised groups, including refugees, migrants and older people, through peer support, connection to local services and building social networks

Grants Management

- Provide a grants administration function for the GLA, TfL, MOPAC and corporate partners to channel funding efficiently to grass-roots third sector organisations

Volunteering: Brokering volunteering opportunities for individuals and organisations. We will:

- Inspire and support volunteers of all ages, finding them the right opportunities, ensuring they get the best possible experience and fulfil the goals that motivated them to volunteer
- Support organisations to identify volunteering opportunities, and maximise the impact of their volunteers' time and skill

Employment and Skills: Providing personal advice and guidance, training, work experience and job brokerage. We will:

- Help the most disadvantaged people improve their skills and move from welfare into sustainable employment by: personal advice and guidance; realistic work placements and trials; addressing barriers to work and linking the right people with the right jobs
- Deliver accredited training, certifying the skills that people have gained from working with us, and enabling them to gain employment and progress into further training

Youth work: Providing coaching and positive activities for young people to develop their life skills and fulfil their potential. We will:

- Run clubs and activities for young people that enable them to develop life skills and engage in rewarding work in their local community
- Work to improve the attitude, attainment, aspirations and wellbeing of young people, coaching them to make the most of their education opportunities, explore meaningful career paths and make positive life choices
- Facilitate youth social action opportunities for young Londoners
- Support the mental health and wellbeing of young people

Green Jobs: Providing practical work experience and training for sustainable employment. We will:

- Provide opportunities for those out of work to gain confidence and skills and find jobs through working on practical schemes to improve local environments, enhancing valuable open space facilities and preparing our neighbourhoods for the impacts of climate change
- Develop, create and actively promote opportunities for new 'green' job roles within Groundwork's work programmes covering areas such as reuse, water and energy efficiency
- Work closely with the London agencies driving the move to low carbon and green recovery, ensuring that those most disadvantaged from the labour market can benefit from the jobs created

Resource efficiency: Reducing waste, energy and water consumption through advice and action. We will:

- Help more people, particularly vulnerable residents, to reap the benefits from more efficient consumption of resources, changing behaviours and improving homes in order to reduce energy and water consumption and reducing utility bills
- Support public, private and voluntary sector organisations to meet carbon and water reduction targets, wider environmental management aspirations and social responsibility targets
- Contribute to London's circular economy by increasing and promoting recycling and reuse, in particular domestic furniture, white goods and bicycles

Climate Change: Ensuring our programmes and the support we provide to others mitigate the causes and negative effects of climate change. We will:

- Increase Londoners' awareness and understanding of climate change and support them to minimise the causes and effects of climate change
- Develop a Groundwork London carbon offset programme to fund carbon reduction activity
- Actively support and promote greener travel opportunities in the capital

Innovation and development: Investing in new ideas and development to meet London's changing needs. We will:

- Invest in ideas and new ways of doing things in consultation with our key partners, clients and funders to address the challenges facing London and Londoners

Principal Risks and Uncertainties

The Board accepts its responsibility under the Charity Commission's Statement of Recommended Practice (SORP) for ensuring the major risks to which the charity is exposed are identified and reviewed and that there are systems in place to mitigate against them.

The Trust undertakes an annual review of risk, the principle risks identified during the business planning process for the forthcoming year are:

- Failure to deliver targets in 'payment by results' contracts
- Failure to secure funding for the projected operations plans
- Inability of the organisation to meet its utilisation targets or chargeable rates
- Poor performance and partner dissatisfaction with the quality of delivery
- Loss of large contracts

Strategic planning is central to our business management, common features that will help us address these risks are:

- Undertaking regular compliance reviews of all contracts to ensure service delivery meeting contract requirements
- Implementing adjustments to ensure agreed outputs and outcomes are met, empowering our staff to develop new, creative and effective ways of working
- Reviewing and amending our business operations, including a focus on ICT as being essential to adapting our delivery and working arrangements
- Implementing changes to our structure and operations as required to ensure the Charity can continue to deliver its charitable objectives
- Expanding our offer to existing and new partnerships with local authorities, housing associations and the private sector
- Investing in specialist skills to drive up quality across all our services
- Prioritising and consolidating development, marketing and communications to grow our visibility and broaden our access to new income sources
- Developing and implementing new strategies for the recruitment of experienced staff to manage and deliver services, balanced with identifying and developing talent within our staff team
- Maintaining fundraising capacity and continuing to strengthen the quality of our bids and tenders
- Continued emphasis on demonstrating the value and benefits of Groundwork's services
- Monitoring delivery and financial performance
- Preparing actions plans to mobilise change processes arising from changes or loss of major contracts
- Providing training and support to improve project and performance management and client focus skills to ensure projects are delivering required outcomes, on time and to budget
- Engaging with Groundwork South and the Federation to provide support to business management and development and specialist delivery services

Financial management of projects is controlled using PIMS (Project Information Management System). The Trust has strong skills within the staff teams in its effective use. Expenditure is only made on projects once income has been secured. The amount of secured and unsecured income and the expenditure and revenue on all projects is analysed on a monthly basis. Detailed management information is imported from the system to provide up to date financial and operational performance against targets.

The Executive Team reviews income and contribution secured against business plan, team capacity and project performance together with other business information. These are also reported to the staff teams at monthly Operations and Development meetings and on a quarterly basis to the Board, to focus Trust attention on achieving Business Plan targets.

In addition to reviewing the risk register, quarterly reports to the Board monitor income & expenditure and progress towards financial targets. Detailed management accounts are examined at each meeting. The Trust submits these accounts to Groundwork Federation on a quarterly basis and is monitored on security of income and financial stability.

Financial Instruments

Groundwork London's financial risk management objective is broadly to seek not to make losses from exposure to any interest rate or currency fluctuations. In the year 2022/23 we have had no exposure to these fluctuations. Our policy has been to finance fixed assets through retained reserves. Other than bank charges, no interest is payable on our bank accounts.

Reference and Administrative Details

Registered Company number
04212532 (England and Wales)

Registered Charity number
1121105

Registered office of the company and principal office of the charity
18-21 Morley Street, London, SE1 7QZ

Our advisers

Auditors	Hartley Fowler	4 th Floor, Tuition House, 27/37 St George's Road, London, SW19 4EU
Bankers	Lloyds	Blackheath Branch, PO Box 1000, BX1 1LT
Solicitors	Bates, Wells & Braithwaite	61 Charterhouse Street, London EC1M 6HA

Key management personnel: Directors and Trustees

The directors of the charity are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

Co-opted	Alan Smith (Chair 1/4/14)	appointed	20/02/2012
	Graham Beal	appointed	10/03/2014
	Dan Davidson	appointed	08/05/2014
	Phil Stokes	appointed	17/07/2014
	Keith Taylor	appointed	20/03/2017
	Sophie Taysom	appointed	20/04/2020
	Bradley Pritchard	resigned	09/08/2023
	Lanre Bello	appointed	28/09/2020
	Sadaf Rasheed	appointed	28/09/2020
	Tom Leake	appointed	28/09/2020

Groundwork UK nominee	Marilyn Baxter	appointed	20/03/2017
------------------------------	----------------	-----------	------------

Local Authority nominee	Susan Wise	appointed	01/06/2015
--------------------------------	------------	-----------	------------

Company Secretary	Stuart Harrison
--------------------------	-----------------

Key management personnel: Senior Managers

Executive Director	Lindy Kelly
Director, Finance & Corporate Services	Stuart Harrison
Director, Communities & Environmental Services	Katrina Baker
Director, Development & Strategic Programmes	Ben Coles
Director, Youth, Employment & Skills	Graham Parry

Structure, Governance and Management

Structure

Groundwork London is a registered charity and company limited by guarantee and is governed by its Articles of Association. Groundwork London was registered as a limited company on 8th May 2001 under the name Groundwork London Partnership and changed its name by Special Resolution to Groundwork London on 10th September 2007. On 1st November 2007 Groundwork London merged with Groundwork Southwark & Lambeth, Groundwork South East London and Groundwork Merton. On 1st April 2008 Groundwork London merged with Groundwork West London and incorporated the London activities of Groundwork Federation (non-legal incorporation). Groundwork North and Groundwork East London transferred as mergers on 1st April 2009.

Groundwork London is a member of the Federation of Groundwork Trusts in England, Wales and Northern Ireland, each working with partners to improve the quality of the local environment, the lives of local people and the success of local businesses in areas in need of investment and support. The Federation Membership Agreement is a bilateral agreement jointly signed by both the Trust and the Federation, setting out the obligations, defining the minimum quality and ethical standards, setting out the core values and defining the circumstances and procedures whereby Trusts may be required to leave the Federation.

Groundwork London became the sole company member of The Groundwork South Trust Ltd on the 14th March 2017. Groundwork South continues to operate as an independent company with its own Board.

The Members of Groundwork London

The company members are the Federation of Groundwork Trusts, Dan Davidson, Eugenie White, Alan Smith, Cate Newnes-Smith and Susan Wise.

Governance

As Groundwork London has evolved so has our Governance ensuring that it is both relevant and effective as well as being resilient to future changes in our operating environment.

Board of Trustees

The Governing body of the Trust is the Board of Trustees. The Board is responsible for major strategic decisions and has ultimate responsibility for the conduct and financial viability of the organisation, it meets formally four times a year. The Board comprises of not more than 15 Directors of whom not more than 6 are either nominated or appointed and 9 co-opted Trustees:

- Up to 4 appointed Local Authority members elected from the Local Authority Strategic Input Board
- 2 Groundwork Federation nominees
- 9 co-opted members

Trustees generally serve in terms of between 12 months and 3 years and can be reappointed by the Board. The Board has an agreed strategy to enable Board succession to occur on a rolling basis.

Committees

The Board has established a number of committees:

- Finance & Audit Committee is responsible for reviewing the overall status of financial and investment resources and for making appropriate recommendations to the Board. It meets four times a year.
- The Executive Recruitment & Remuneration Committee assists the Board in the appointment of the Executive Director and to support the Executive Director in the appointment of Directors and to consider and approve their remuneration. The Remuneration Committee meets once per year.
- Local Authority Members Board enables Local Authorities to shape the strategic direction of Groundwork within London boroughs, to keep their LA's informed about the breadth of Groundwork London's expertise and appoint, via an electoral process, members to the Groundwork London Board. Due to COVID-19 plans to review and rejuvenate the Local Authority Members Board was put on hold. A review of the LAM Board will be undertaken in 2023.

Induction & Training

New members of the Board of Trustees are provided with the Groundwork London Governance handbook and other key documents and have an induction meeting with the Executive Director. The induction includes an overview of the objects of Groundwork London and its Vision and Mission, the structure, its staff and volunteers and finance. Trustees are also encouraged and supported in visiting projects.

Community Interest Company – *Our Parklife*

Our Parklife was formally constituted in September 2014 by company members; Equans (previously known as Engie prior to name change); Groundwork London; Renaisi and Idverde (previously known as The Landscape Group prior to acquisition). Equans appoint two members to the Board and all other members appoint one Director. Groundwork London's has appointed two Directors who alternate, they are Graham Parry (Director, Youth, Employment & Skills) & Ben Coles (Director, Development & Strategic Programmes).

The objects of the Company are to carry on activities which benefit the community and in particular (without limitation) to promote the social, economic and environmental well-being of residents in the boroughs immediately surrounding the Queen Elizabeth Olympic Park in Stratford by providing opportunities in the Park:

- for employment and training; improving skills and knowledge; and encouraging entrepreneurship, innovation and business skills;
- within the operations of the Members across London for employment and training and improving skills and knowledge;
- for new and existing residents to meet and mix to promote cohesion and inclusion; and
- for local people to volunteer, to learn about environmental sustainability and to undertake initiatives in their own neighbourhoods and provide educational opportunities for schools and young people.

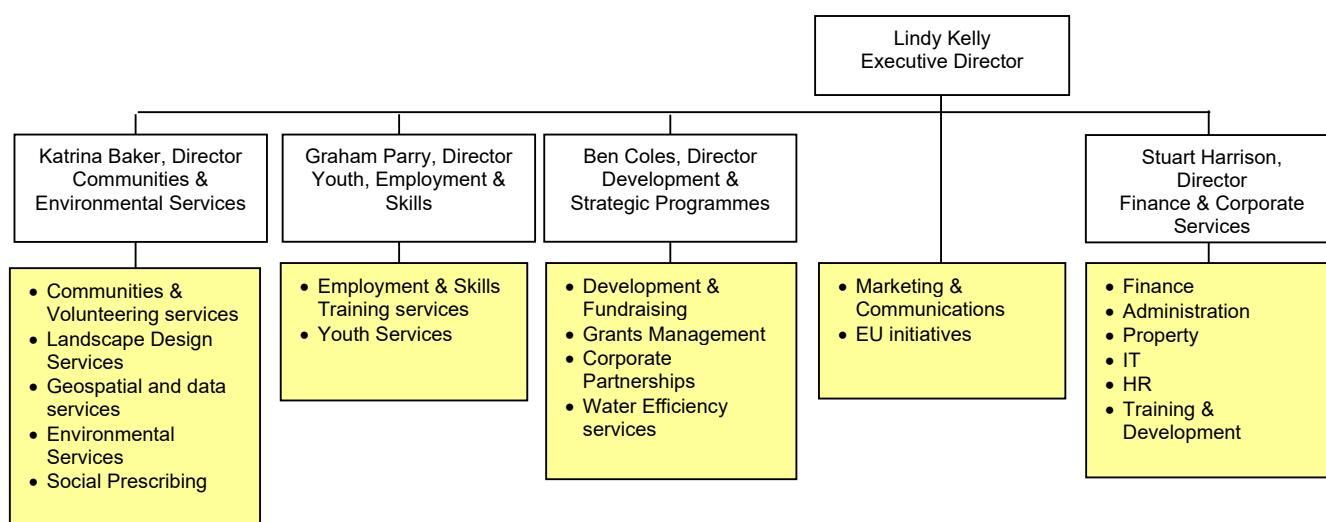
Management

The Board delegates day-to-day financial and managerial control of the organisation to the Executive Director. The Executive Director, together with the Executive Team, meets monthly to discuss the operational and financial status of the Trust.

Groundwork London's professional team continues to evolve in response to changes to our organisational structure and changes to the scale of the activities across each of our thematic areas and the needs of our business operational requirements. The framework within which our teams are organised are guided by the following principles:

- We must remain embedded in the local community, with local delivery at the core of what we do
- We must be able to operate a seamless, consistent and high quality delivery service across London
- We need to be a credible local and regional partner able to operate at a strategic level
- We must be a strong and viable organisation

Projects and programmes continue to be delivered by local teams, with management organised through area management structures and specialist service. At the end of the 2021/22 we had 325 FTE employees.



Trustees' responsibilities in relation to the financial statements

The charity trustees (who are also the directors of Groundwork London for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to 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 the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware, and
- the trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the board of trustees



Trustee

Date: 25th September 2023

Independent Auditor's Report to the members of Groundwork London

Opinion

We have audited the financial statements of Groundwork London (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 group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2023 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;
- 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 Auditors' 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 Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, including the strategic 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. 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 trustees' annual report, including the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the trustees' annual report, including the strategic report has 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 their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 trustees' responsibilities statement set out in the trustees' annual report, 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 group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

We identify and assess risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Independent Auditor's Report to the members of Groundwork London (continued)

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and the charities activities;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charitable company's documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the charitable company operates in. The key laws and regulations we considered in this context included the Charities Act 2011, UK Companies Act and tax legislation.

In addition we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.

As a result of performing the above, we did not identify any key matters related to the potential risk of fraud or non-compliance with laws and regulations.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provision of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reviewing minutes of meetings of those charged with governance, reviewing internal reports, and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments, assessing whether the judgements made in making accounting estimates are indicative of a potential bias and evaluating the business rationale for any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indication of fraud or non-compliance with laws and regulations throughout the audit.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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.

Jonathan Askew, FCA (Senior statutory auditor)
for and on behalf of Hartley Fowler LLP
Statutory Auditor
Chartered Accountants
Fourth Floor, Tuition House
27/37 St George's Road
London
SW19 4EU

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Consolidated Statement of Financial Activities for the year ended 31st March 2023, incorporating the Income and Expenditure account

		Unrestricted Funds	Restricted Funds	31.3.23 Total Funds	31.3.22 Total Funds
	Notes	£	£	£	£
INCOME					
Investment income	3	418,874	-	418,874	425,124
Income from charitable activities	4	15,727,825	17,013,305	32,741,130	27,747,784
Total Income		16,146,699	17,013,305	33,160,004	28,172,908
EXPENDITURE					
Cost of raising funds	5	122,102	-	122,102	290,662
Charitable activities	6	16,250,411	16,549,886	32,800,297	27,484,514
Total expenditure		16,372,513	16,549,886	32,922,399	27,775,176
Net income before gains/ (losses) on investments		(225,817)	463,419	237,605	397,732
Net (losses)/ gains on investment properties	14	-	(19,717)	(19,717)	(19,717)
Net gains / (losses) on cash investments	18	(254,850)	-	(254,850)	305,939
Net income		(480,664)	443,702	(36,962)	683,954
Transfers between funds	23	468,419	(468,419)	-	-
Net movement in funds		(12,245)	(24,717)	(36,962)	683,954
RECONCILIATION OF FUNDS					
Total funds brought forward		10,314,863	1,537,329	11,852,192	11,168,238
TOTAL FUNDS CARRIED FORWARD	23	10,302,618	1,512,612	11,815,230	11,852,192

The Statement of Financial Activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

The notes on pages 35 to 54 form part of these financial statements.

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Charity Statement of Financial Activities for the year ended 31st March 2023, incorporating the Income and Expenditure account

		Unrestricted Funds £	Restricted Funds £	31.3.23 Total Funds £	31.3.22 Total Funds £
	Notes				
INCOME					
Investment income	3	424,053	-	424,053	433,212
Income from charitable activities	4	12,527,037	14,368,318	26,895,355	22,577,711
Total Income		12,951,090	14,368,318	27,319,408	23,010,923
EXPENDITURE					
Cost of raising funds	5	122,102	-	122,102	290,662
Charitable activities	6	13,105,874	14,065,100	27,170,974	22,514,435
Total expenditure		13,227,976	14,065,100	27,293,076	22,805,097
Net income before gains/ (losses) on investments		(276,886)	303,218	26,332	205,826
Net (losses)/ gains on investment properties	14	-	(19,717)	(19,717)	(19,717)
Net gains / (losses) on cash investments	18	(254,850)	-	(254,850)	305,939
Net income		(531,736)	283,501	(248,235)	492,048
Transfers between funds	23	308,218	(308,218)	-	-
Net movement in funds		(223,518)	(24,717)	(248,235)	492,048
RECONCILIATION OF FUNDS					
Total funds brought forward		10,598,642	1,537,329	12,135,971	11,643,923
TOTAL FUNDS CARRIED FORWARD	23	10,375,124	1,512,612	11,887,736	12,135,971

The Statement of Financial Activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

The notes on pages 35 to 54 form part of these financial statements.

Groundwork London

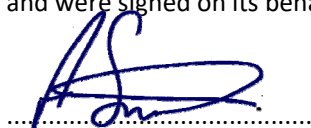
(A company limited by guarantee)

Registered Number: 04212532

Consolidated Balance Sheet as at 31st March 2023

		31.3.23	31.3.22
	Notes	£	£
FIXED ASSETS			
Tangible assets	12	2,217,379	2,279,510
Intangible assets	13	-	-
Investment properties	14	3,522,613	3,542,330
TOTAL FIXED ASSETS		5,739,992	5,821,840
CURRENT ASSETS			
Debtors	17	7,881,543	6,059,148
Current asset investments	18	2,864,282	3,119,132
Cash at bank		4,852,338	6,150,382
TOTAL CURRENT ASSETS		15,598,163	15,328,662
LIABILITIES			
Creditors falling due within one year	19	(9,522,925)	(9,298,310)
NET CURRENT ASSETS		6,075,238	6,030,352
TOTAL ASSETS LESS CURRENT LIABILITIES		11,815,230	11,852,192
NET ASSETS		11,815,230	11,852,192
THE FUNDS OF THE GROUP	23		
General funds		6,287,975	6,035,370
Designated funds		2,125,361	2,135,361
Fair value reserve		1,889,282	2,144,132
Restricted revaluation fund		1,040,389	1,060,106
Restricted property fund		472,223	477,223
TOTAL GROUP FUNDS		11,815,230	11,852,192

The financial statements were approved by the Board of Trustees on 25th September 2023 and were signed on its behalf by:



Alan Smith - Trustee

The notes on pages 35 to 54 form part of these financial statements

Groundwork London

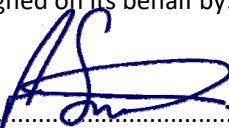
(A company limited by guarantee)

Registered Number: 04212532

Charity Balance Sheet as at 31st March 2023

	Notes	31.3.23 £	31.3.22 £
FIXED ASSETS			
Tangible assets	12	1,221,598	1,268,959
Investment properties	14	3,522,613	3,542,330
TOTAL FIXED ASSETS		4,744,211	4,811,289
NON CURRENT ASSETS	16	-	-
CURRENT ASSETS			
Debtors	17	6,986,852	5,645,833
Current assets investments	18	2,864,282	3,119,132
Cash at bank		4,384,910	5,279,795
TOTAL CURRENT ASSETS		14,236,044	14,044,760
LIABILITIES			
Creditors falling due within one year	19	(7,092,519)	(6,720,078)
NET CURRENT ASSETS		7,143,525	7,324,682
TOTAL ASSETS LESS CURRENT LIABILITIES		11,887,736	12,135,971
NET ASSETS		11,887,736	12,135,971
THE FUNDS OF THE CHARITY	23		
Unrestricted funds		6,360,481	6,319,149
Designated funds		2,125,361	2,135,361
Fair value reserve		1,889,282	2,144,132
Restricted revaluation fund		1,040,389	1,060,106
Restricted property fund		472,223	477,223
TOTAL CHARITY FUNDS		11,887,736	12,135,971

The financial statements were approved by the Board of Trustees on 25th September 2023 and were signed on its behalf by:


.....

Alan Smith - Trustee

The notes on pages 35 to 54 form part of these financial statements

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Consolidated Statement of Cash Flows for the year ended 31st March 2023

	Notes	31.3.23 £	31.3.22 £
Cash flows from operating activities	25	(1,667,874)	198,717
Cash flow from investing activities			
Investment income received		418,874	425,124
Income from sale of investments		-	-
Purchase of fixed assets		(49,044)	(20,932)
Net cash used in investing activities		369,830	404,192
Net Increase/(decrease) in cash and cash equivalents		(1,298,044)	603,109
Cash and cash equivalents at the beginning of the year		6,150,382	5,547,273
Cash and cash equivalents at the end of the year		4,852,338	6,150,382

The notes on pages 35 to 54 form part of these financial statements

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Charity Statement of Cash Flows for the year ended 31st March 2023

		31.3.23	31.3.22
	Notes	£	£
Cash flows from operating activities	25	(1,269,894)	(448,773)
Cash flow from investing activities			
Investment income received		424,053	433,212
Income from sale of investments		-	-
Cash inflows from new investments		860,000	440,948
Cash outflows from new investments		(860,000)	(425,000)
Purchase of fixed assets		(49,044)	(20,932)
Net cash used in investing activities		375,009	428,228
Net Increase/(decrease) in cash and cash equivalents		(894,885)	(20,545)
Cash and cash equivalents at the beginning of the year		5,279,795	5,300,340
Cash and cash equivalents at the end of the year		<u>4,384,910</u>	<u>5,279,795</u>

The notes on pages 35 to 54 form part of these financial statements

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Notes to the financial statements for the year ended 31st March 2023

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Groundwork London meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. With respect to the next reporting period, 2023-24, the most significant areas of uncertainty are the impacts on Government, Local Authority funding commitments following Brexit and COVID-19.

b) Estimates and judgements

The investment property valuations referred to in note 14 are based on the professional opinion of fair value from a qualified chartered surveyor.

c) Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Grants receivable, where related to performance are accounted for as the charity earns the right to consideration by its performance. Where income is received in advance, recognition is deferred and included in creditors and where entitlement arises before income is received the income is accrued.

d) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

e) Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs. These costs are allocated to projects based on the ratio of project time incurred.

f) Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life. Items over £2,000 are capitalised.

Long leasehold	-over the term of the lease
Buildings	-2% per annum
Fixtures and fittings	-at varying rates on cost
Motor vehicles	-at varying rates on cost
Computer equipment	-at varying rates on cost

g) Intangible fixed assets

Amortisation is provided at the following rates:

Software	- 20% straight line
----------	---------------------

h) Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve. No depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to run.

i) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

j) Taxation and VAT

The charity is exempt from corporation tax on its charitable activities. The company is registered for VAT and all resources expended are inclusive of irrecoverable VAT. Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

k) Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the note 24 to the financial statements.

l) Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the period of the lease.

m) Consolidation

The financial statements consolidate the results of the charitable company and its wholly owned subsidiary, The Groundwork South Trust Ltd, on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charitable company has also been presented. The charitable company also has two dormant subsidiaries as set out in the notes to the accounts.

n) Pensions

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The company pays fixed contributions, charged to the statement of financial activities in the period to which they relate. The charity contribution is restricted to the contributions disclosed in note 11.

The money purchase plan is managed by AEGON and the plan invests the contributions made by the employee and employer in an investment fund to build up over the term of the plan.

The Trust has no liability beyond making its contributions and paying across the deductions for the employee's contributions. A similar defined contribution scheme is operated by the subsidiary company, The Groundwork South Trust Ltd.

o) Debtors

Trade and other debtors are recognised at the settlement amount due. No discounts are offered. Prepayments are valued at the amount prepaid

p) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

q) Investment policy

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust aims to have a portfolio of Financial Investments consistent with a "Balanced Portfolio" profile of risk, return, and liquidity, as identified in an externally conducted assessment of attitude to risk of the trustees when investing the Trust's assets. In order to achieve this it will select Investment Managers which are able to make informed and timely asset allocation decisions consistent with the objectives of this Investment Policy and which may include Government and Corporate Bonds (UK and Overseas), UK and overseas Equities, Property, Gold and other commodities (excluding coal) and cash.

The Trust aims to utilise returns from financial investments for its day to day operations.

The Trust wishes to keep at least 40% of total assets in investments which can be realised within three months.

A minimum of 10% of total assets should be capable of being liquidated within 7 working days.

The Trust will not invest directly in any organisation whose main business activity is:

- The production of tobacco or narcotics
- The production of pornographic material
- The manufacture of weapons of war
- Encouraging or enabling gambling
- Providing Home Credit (Doorstep Lending)
- Using child labour or other exploitative employment practices

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

r) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts available.

s) Government Grants

Government grants are recognised when the entity has reasonable assurance that conditions attached to the grant will be complied with and that the grant will be received.

Revenue grants are recognised using the accrual model and are therefore recognised as income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. Revenue grants are measured at fair value, being the amount of cash receivable.

2. LEGAL STATUS

Groundwork London is a company limited by guarantee and has no share capital. The registered office and principal place of business is 18-21 Morley Street, London, SE1 7QZ. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

3. INVESTMENT INCOME

	Charity	
	31.3.23	31.3.22
	£	£
Rents received	318,288	325,167
Bank and investment interest	105,765	108,045
	<u>424,053</u>	<u>433,212</u>

	Group	
	31.3.23	31.3.22
	£	£
Rents received	318,288	325,167
Bank and investment interest	100,586	99,957
	<u>418,874</u>	<u>425,124</u>

Investment income includes income received for the leasing out of business units at Artichoke Mews, a public house adjacent to Denmark Hill railway station, income received for leasing out space at Morley Street and Lower Clapton Road, deposit interest received, income from Trust current investments and interest on loans from group undertakings.

4. INCOME FROM CHARITABLE ACTIVITIES

	Charity			
Income was received for:	Unrestricted funds	Restricted funds	31.3.23	31.3.22
	£	£	£	£
Communities and Environmental Service	5,914,822	1,990,031	7,904,853	6,874,500
Landscape Design Services	2,799,515	74,673	2,874,188	1,833,014
Youth, Employment & Skills Training	3,723,321	5,486,958	9,210,279	7,697,215
Strategic Partnerships & Programmes	89,379	6,816,656	6,906,035	6,172,982
	<u>12,527,037</u>	<u>14,368,318</u>	<u>26,895,355</u>	<u>22,577,711</u>

In 2023 the income from charitable activities was £26,895,355 (2022: £22,577,711) of which £12,527,037 (2022: £10,498,225) was income from unrestricted funds and £14,368,318 (2022: £12,079,486) was income from restricted funds.

4. INCOME FROM CHARITABLE ACTIVITIES (cont'd)

Income was received for:			Group	
	Unrestricted funds	Restricted funds	31.3.23	31.3.22
	£	£	£	£
Communities and Environmental Service	8,834,806	3,292,605	12,127,411	10,135,454
Landscape Design Services	3,114,858	1,399,053	4,513,911	3,302,712
Youth, Employment & Skills Training	3,723,601	5,513,227	9,236,828	8,138,054
Strategic Partnerships & Programmes	54,560	6,808,420	6,862,980	6,171,564
	<u>15,727,825</u>	<u>17,013,305</u>	<u>32,741,130</u>	<u>27,747,784</u>

In 2023 the income from charitable activities was £32,741,130 (2022: £27,747,784) of which £15,727,825 (2022: £12,963,517) was income from unrestricted funds and £17,013,305 (2022: £14,787,267) was income from restricted funds.

Income was provided by:	Charity	
	31.3.23	31.3.22
	£	£
Local Authorities	6,663,845	2,835,317
Public and Regional Agencies	12,338,115	10,906,109
European Union	3,004,524	2,184,441
Private Sector	4,423,562	5,716,389
National Lottery	465,309	935,455
	<u>26,895,355</u>	<u>22,577,711</u>
	Group	
	31.3.23	31.3.22
	£	£
Local Authorities	8,831,024	4,538,825
Public and Regional Agencies	12,480,979	11,506,701
European Union	3,123,275	1,771,009
Private Sector	7,355,421	8,417,357
National Lottery	950,431	1,513,892
	<u>32,741,130</u>	<u>27,747,784</u>

Income arose from:	Charity	
	31.3.23	31.3.22
	£	£
Sale of goods	513,710	461,407
Rendering of services	11,522,010	9,524,755
Grants	11,640,455	12,166,758
Government grants – employment programmes	3,219,180	424,791
	<u>26,895,355</u>	<u>22,577,711</u>
	Group	
	31.3.23	31.3.22
	£	£
Sale of goods	513,710	461,407
Rendering of services	17,367,785	14,694,828
Grants	11,640,455	12,166,758
Government grants – employment programmes	3,219,180	424,791
	<u>32,741,130</u>	<u>27,747,784</u>

5. COSTS OF RAISING FUNDS

	Charity and Group	
	31.3.23	31.3.22
	£	£
Other operating leases	102,338	73,443
Administrative expenses	19,764	217,219
	<u>122,102</u>	<u>290,662</u>

Administrative costs relate to the management of business units at Artichoke Mews and a public house adjacent to Denmark Hill railway station, offices at Morley Street and rental space at Lower Clapton Road.

6. CHARITABLE ACTIVITIES COSTS

	Direct costs	Governance and support costs (see note 7)	31.3.23	Charity 31.3.22
	£	£	£	£
Communities and Environmental Services	13,475,276	803,131	14,278,407	7,361,671
Landscape Design Services	2,382,647	80,342	2,462,989	2,003,538
Youth, Employment & Skills Training	3,068,103	1,003,936	4,072,039	7,683,438
Strategic Partnerships & Programmes	6,250,369	107,170	6,357,539	5,465,788
	<u>25,176,395</u>	<u>1,994,579</u>	<u>27,170,974</u>	<u>22,514,435</u>

In 2023 the expenditure on charitable activities was £27,170,974 (2022: £22,514,435) of which £13,105,874 (2022: £10,431,995) was expenditure from unrestricted funds and £14,065,100 (2022: £12,084,440) was expenditure from restricted funds.

	Direct costs	Governance and support costs (see note 7)	31.3.23	Group 31.3.22
	£	£	£	£
Communities and Environmental Services	16,810,080	1,159,644	17,969,724	10,184,336
Landscape Design Services	3,883,851	161,205	4,045,056	3,531,318
Youth, Employment & Skills Training	3,431,998	1,039,035	4,471,033	8,304,490
Strategic Partnerships & Programmes	6,207,314	107,170	6,314,484	5,464,370
	<u>30,333,243</u>	<u>2,467,054</u>	<u>32,800,297</u>	<u>27,484,514</u>

In 2023 the expenditure on charitable activities was £32,800,297 (2022: £27,484,514) of which £16,250,411 (2022: £12,787,930) was expenditure from unrestricted funds and £16,549,886 (2022: £14,696,584) was expenditure from restricted funds.

7. GOVERNANCE AND SUPPORT COSTS

The Trust identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs, together with the governance costs are apportioned between the thematic programme areas in the year. The costs are allocated by staff time. The breakdown of costs are as follows:

Cost type				Charity
	Support costs	Governance costs	Total 2023	Total 2022
	£	£	£	£
Staff costs	1,230,967	25,963	1,256,930	888,343
Office and other costs	710,584	27,066	737,650	782,370
Total costs	<u>1,941,550</u>	<u>53,029</u>	<u>1,994,579</u>	<u>1,670,713</u>

Cost type				Group
	Support costs	Governance costs	Total 2023	Total 2022
	£	£	£	£
Staff costs	1,405,871	25,963	1,431,834	1,063,247
Office and other costs	1,000,655	34,566	1,035,221	1,056,785
Total costs	<u>2,406,525</u>	<u>60,529</u>	<u>2,467,054</u>	<u>2,120,032</u>

8. GOVERNANCE COSTS

	Group	
	31.3.23	31.3.22
	£	£
Staff costs	25,963	24,398
Legal fees	12,066	12,066
Auditor's remuneration	22,500	22,500
Total costs	<u>60,529</u>	<u>58,964</u>

9. NET INCOMING/ (OUTGOING) RESOURCES

Net resources are stated after charging

	Charity	
	31.3.23	31.3.22
	£	£
Auditors' remuneration – audit services	15,000	15,000
Depreciation – owned assets	96,405	104,611
Operating lease payments	135,258	138,210
Government grants	-	39,110

	Group	
	31.3.23	31.3.22
	£	£
Auditors' remuneration – Groundwork London	15,000	15,000
Auditor's remuneration – Groundwork South	7,500	7,500
Depreciation – owned assets	111,175	120,942
Amortisation of intangible fixed assets	-	-
Operating lease payments	135,258	221,710
Government grants	-	94,054

10. TRUSTEES' REMUNERATION AND BENEFITS

No payments or remuneration were made to the Trustees during this year or the previous year. Reimbursement of trustee expenses incurred was £nil (2022: £nil).

11. STAFF COSTS

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

	Charity	
	31.3.23	31.3.22
Direct charitable	311	288
Fundraising	8	7
Governance	2	2
	<u>321</u>	<u>297</u>

	Group	
	31.3.23	31.3.22
Direct charitable	462	400
Fundraising	8	7
Governance	2	2
	<u>472</u>	<u>409</u>

Staff costs were as follows

	Charity	
	31.3.23	31.3.22
	£	£
Wages and salaries	9,812,253	8,577,444
Social security costs	901,500	765,420
Pension costs	715,817	641,581
	<u>11,429,570</u>	<u>9,984,445</u>

	Group	
	31.3.23	31.3.22
	£	£
Wages and salaries	13,301,347	11,377,353
Social security costs	1,168,178	958,371
Pension costs	927,978	819,407
	<u>15,397,503</u>	<u>13,155,131</u>

The company operated a defined contribution pension scheme. The assets of the scheme were held separately from those of the company in an independently administered fund. Contributions payable for the year were charged to the Statement of Financial Activities.

	Charity	
	31.3.23	31.3.22
	£	£
Amount of outstanding pension contributions	<u>3,325</u>	<u>3,498</u>

	Group	
	31.3.23	31.3.22
	£	£
Amount of outstanding pension contributions	<u>25,961</u>	<u>24,498</u>

11. STAFF COSTS – cont'd

Number of employees whose emoluments (excluding pension contributions) exceeded £60,000 in the year:

		Charity and Group
	31.3.23	31.3.22
£60,000 - £69,999	-	-
£70,000 - £79,999	1	1
£80,000 - £89,999	3	3
£90,000 - £99,999	1	1
	<u>5</u>	<u>5</u>

The total employer's contributions paid to defined contribution schemes for the above higher paid employees was £30,286 (2022 - £29,809). The key management personnel of the charity, the Trust, comprise the Executive Director, Director Finance & Corporate Services, Director Youth, Employment & Skills Training and Director Communities & Environmental Services. The total employee benefits of the key management personnel of the Trust were £554,422 (2022 £529,608).

12. TANGIBLE FIXED ASSETS – Group

	Freehold land and buildings £	Building improve- ments £	Fixtures and fittings £	Computer Equip't £	Motor vehicles £	Floating Classroom £
COST						
At 1 st April 2022	2,603,300	99,266	298,578	201,063	2,706	88,350
Additions	-	-	-	49,044	-	-
Disposals	-	-	-	-	-	-
At 31st March 2023	<u>2,603,300</u>	<u>99,266</u>	<u>298,578</u>	<u>250,107</u>	<u>2,706</u>	<u>88,350</u>
DEPRECIATION						
At 1 st April 2022	516,639	71,802	228,924	170,432	2,706	23,250
Disposals	-	-	-	-	-	-
Charge for year	<u>23,400</u>	<u>9,147</u>	<u>41,375</u>	<u>32,603</u>	<u>-</u>	<u>4,650</u>
At 31st March 2023	<u>540,039</u>	<u>80,949</u>	<u>270,299</u>	<u>203,035</u>	<u>2,706</u>	<u>27,900</u>
NET BOOK VALUE						
At 31st March 2023	<u>2,063,261</u>	<u>18,317</u>	<u>28,279</u>	<u>47,072</u>	<u>-</u>	<u>60,450</u>
At 31 st March 2022	<u>2,086,661</u>	<u>27,464</u>	<u>69,654</u>	<u>30,631</u>	<u>-</u>	<u>65,100</u>

12. TANGIBLE FIXED ASSETS – Group

	Total Tangible Fixed Assets £
Cost	
At 1 April 2022	3,293,263
Additions	49,044
Disposals	-
At 31 March 2023	<u>3,342,307</u>
Depreciation	
At 1 April 2022	1,013,753
Disposals	-
Charge for year	111,175
At 31 March 2023	<u>1,124,928</u>
Net Book Value	
At 31 March 2023	<u>2,217,379</u>
At 31 March 2022	<u>2,279,510</u>

12. TANGIBLE FIXED ASSETS – Charity

	Freehold land and buildings £	Building improve- ments £	Fixtures and fittings £	Computer Equip't £	Motor vehicles £	Total £
COST						
At 1 st April 2022	1,620,000	99,266	228,240	182,437	-	2,129,943
Additions	-	-	-	49,044	-	49,044
Disposals	-	-	-	-	-	-
At 31 st March 2023	<u>1,620,000</u>	<u>99,266</u>	<u>228,240</u>	<u>231,481</u>	<u>-</u>	<u>2,178,987</u>
DEPRECIATION						
At 1 st April 2022	474,639	71,802	162,737	151,806	-	860,984
Disposals	-	-	-	-	-	-
Charge for year	15,000	9,147	39,655	32,603	-	96,405
At 31 st March 2023	<u>489,639</u>	<u>80,949</u>	<u>202,392</u>	<u>184,409</u>	<u>-</u>	<u>957,389</u>
NET BOOK VALUE						
At 31 st March 2023	<u>1,130,361</u>	<u>18,317</u>	<u>25,848</u>	<u>47,072</u>	<u>-</u>	<u>1,221,598</u>
At 31 st March 2022	<u>1,145,361</u>	<u>27,464</u>	<u>65,503</u>	<u>30,631</u>	<u>-</u>	<u>1,268,959</u>

13. INTANGIBLE FIXED ASSETS – Group

	Software £
Cost	
At 1 April 2022	49,720
Subsidiary intangible assets at fair value	-
Disposals	-
At 31 March 2023	<u>49,720</u>
Depreciation	
At 1 April 2022	49,720
Disposals	-
Charge for year	-
At 31 March 2023	<u>49,720</u>
Net Book Value	
At 31 March 2023	<u>-</u>
At 31 March 2022	<u>-</u>

14. INVESTMENT PROPERTIES

	Group and charity			
	Freehold property	Short leasehold £	Long leasehold £	Total £
Fair Value at 1 st April 2022	2,250,000	42,330	1,250,000	3,542,330
Net loss on revaluation	-	(19,717)	-	(19,717)
Fair Value at 31st March 2023	<u>2,250,000</u>	<u>22,613</u>	<u>1,250,000</u>	<u>3,522,613</u>

Groundwork London operates out of a 21 Morley Street. This property is also used for investment income. It was determined during the 2019/20 year that 50% of the property should be treated as an investment property in accordance with SORP FRS 102. An external valuation of £1,875,000 from 2016 was assigned to the investment element of this property. The investment element of the property has been subsequently revalued at 31st March 2021 by Avison Young, Chartered Surveyors, with a valuation of £2.25m. In the opinion of the Trustees there have been no changes in valuation since that date.

The short and long leasehold investment properties are held in the UK. The historical cost of the properties is £373,000. Artichoke Mews was revalued for a sum of £1.25m on 31st March 2021 by Avison Young, Chartered Surveyors, on an open market value in accordance with the guidelines issued by the Royal Institute of Chartered Surveyors. In the opinion of the Trustees there have been no changes in valuation since that date.

The above represents investment at fair value in the following properties which were transferred from Groundwork Southwark and Lambeth on 1 November 2007 as follows:

Artichoke Mews (125 year lease from 1 July 1990) - £1.25m. Historical cost £183,000.

Denmark Hill (41 year lease from 5 June 1983) - £22,613. Historical cost £190,000.

15. SUBSIDIARY COMPANIES

	31.3.23 £	Charity 31.3.22 £
Shares in Group Undertakings	2	2

15. SUBSIDIARY COMPANIES -cont'd

The charity holds 100% of the issued ordinary share capital of Groundwork Environmental Services (West London) Limited (company number 03810135) and Groundwork Environmental Services (East London) Limited (company number 04308777). Both companies are incorporated in England and Wales. Both companies were dormant during the year.

On 14th March 2017 Groundwork London became the sole member of The Groundwork South Trust Ltd, a company registered in England and Wales (registered co number 01982077, registered charity no. 293705) for no consideration and the Group has consolidated its accounts from that date.

The separate accounts for The Groundwork South Trust Limited show the following for the year ended 31 March 2023.

	31.3.23	31.3.22
	£	£
Total income for the year	7,590,322	6,600,345
Total expenditure for the year	7,379,049	6,408,439
Total surplus for the year	211,273	191,906
Aggregate amount of assets	2,650,717	3,041,127
Aggregate amount of liabilities	2,723,223	3,324,906
Aggregate deficit on unrestricted funds	(72,506)	(283,779)

16. NON CURRENT ASSETS

	Charity
	31.3.22
	£
Loans to subsidiary undertakings	-
	-

There was no Loan outstanding with The Groundwork South Trust Ltd at 31st March 2022 or 2023. Interest on outstanding loans is charged to subsidiary undertakings at 2.85% above the Bank of England base rate, monthly in arrears. The freehold property of the charity has been pledged as security on these funds.

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	31.3.23	31.3.22	31.3.23	31.3.22
			£	£
Trade debtors	5,947,204	4,293,772	5,121,558	4,093,558
Prepayments and accrued income	1,923,289	1,761,740	1,854,244	1,548,639
Other debtors	11,050	3,636	11,050	3,636
	<u>7,881,543</u>	<u>6,059,148</u>	<u>6,986,852</u>	<u>5,645,833</u>

18. CURRENT ASSETS INVESTMENTS

	Group and Charity	
	31.3.23	31.3.22
	£	£
Quoted market price at start of year	3,119,132	2,813,193
Additions in year at cost	-	-
Disposals in year	-	-
Net (losses) / gains on cash investments	(254,850)	305,939
Quoted market price at year end	<u>2,864,282</u>	<u>3,119,132</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	31.3.23	31.3.22	31.3.23	31.3.22
			£	£
Trade Creditors	933,584	1,454,456	1,035,832	1,225,266
Taxation and social security	851,019	783,349	603,685	708,294
Deferred income	7,619,232	6,573,371	5,390,366	4,485,098
Other creditors	119,090	487,135	62,636	301,420
	<u>9,522,925</u>	<u>9,298,310</u>	<u>7,092,519</u>	<u>6,720,078</u>

20. DEFERRED INCOME

Movements in group deferred income during the year were as follows:

	Balance at 31.3.22	Amount release to incoming resources	Amount deferred in the year	Group Balance at 31.3.23
	£		£	£
Income from charitable activities	<u>6,573,371</u>	<u>(6,573,371)</u>	<u>7,619,232</u>	<u>7,619,232</u>

Net incoming group resources as shown in the Statement of Financial Activities result from the following:

	Income received	Transferred from deferred income	Group Net income
	£	£	£
Income from charitable activities	<u>40,779,236</u>	<u>(7,619,232)</u>	<u>33,160,004</u>

Movements in group deferred income during the year ended at 31st March 2022 were as follows:

	Balance at 31.3.21	Amount release to incoming resources	Amount deferred in the year	Group Balance at 31.3.22
	£		£	£
Income from charitable activities	<u>6,604,389</u>	<u>6,604,389</u>	<u>6,573,371</u>	<u>6,573,371</u>

Net incoming group resources as shown in the Statement of Financial Activities result from the following:

	Income received	Transferred from deferred income	Group Net income
	£	£	£
Income from charitable activities	<u>37,746,279</u>	<u>(6,573,371)</u>	<u>28,172,908</u>

Movements in charity deferred income during the year were as follows:

	Balance at 31.3.22	Amount release to incoming resources	Amount deferred in the year	Charity Balance at 31.3.23
	£		£	£
Income from charitable activities	4,485,098	(4,485,098)	5,390,366	5,390,366

Net incoming charity resources as shown in the Statement of Financial Activities result from the following:

	Income received	Transferred to deferred income	Charity Net income
	£	£	£
Income from charitable activities	32,709,774	(5,390,366)	27,319,408

Movements in charity deferred income during the year ended at 31st March 2022 were as follows:

	Balance at 1 April 2021	Amount release to incoming resources	Amount deferred in the year	Charity Balance at 31 March 2022
	£		£	£
Income from charitable activities	4,841,717	(4,841,717)	4,485,098	4,485,098

Net incoming charity resources as shown in the Statement of Financial Activities result from the following:

	Income received	Transferred from deferred income	Charity Net income
	£	£	£
Income from charitable activities	27,496,021	(4,485,098)	23,010,923

21. COMMITMENTS UNDER OPERATING LEASES

Future minimum lease payments under non-cancellable operating leases for each of the following periods:

	Group 31.3.23	Group 31.3.22	Charity 31.3.23	Charity 31.3.22
	£	£	£	£
Not later than one year	222,594	219,024	133,665	135,258
Later than one year and not later than five years	289,925	424,827	158,017	218,182
Later than five years	-	-	-	-

Future minimum lease receipts under non-cancellable operating leases for each of the following periods:

	Group and Charity	
	31.3.23	31.3.22
	£	£
Not later than one year	259,668	288,353
Later than one year and not later than five years	198,066	447,238
Later than five years	-	-

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS – Group

	Unrestricted funds	Restricted funds	31.3.23 Total funds
	£	£	£
Fixed assets	2,217,379	-	2,217,379
Investment Properties	2,250,000	1,272,613	3,522,613
Current assets	15,119,879	478,284	15,598,163
Current liabilities	(9,284,640)	(238,285)	(9,522,925)
	<u>10,302,618</u>	<u>1,512,612</u>	<u>11,815,230</u>

	Unrestricted funds	Restricted funds	31.3.22 Total funds
	£	£	£
Fixed assets	2,279,510	-	2,279,510
Investment Properties	2,250,000	1,292,330	3,542,330
Current assets	14,858,887	469,775	15,328,662
Current liabilities	(9,073,534)	(224,776)	(9,298,310)
	<u>10,314,863</u>	<u>1,537,329</u>	<u>11,852,192</u>

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS – Charity

	Unrestricted funds	Restricted funds	31.3.23 Total funds
	£	£	£
Fixed assets	1,221,598	-	1,221,598
Non-current assets	-	-	-
Investment Properties	2,250,000	1,272,613	3,522,613
Current assets	13,757,760	478,284	14,235,044
Current liabilities	(6,854,234)	(238,285)	(7,092,519)
	<u>10,375,124</u>	<u>1,512,612</u>	<u>11,887,736</u>

	Unrestricted funds	Restricted funds	31.3.22 Total funds
	£	£	£
Fixed assets	1,268,959	-	1,268,959
Non-current assets	-	-	-
Investment Properties	2,250,000	1,292,230	3,542,330
Current assets	13,574,985	469,775	14,044,760
Current liabilities	(6,495,302)	(224,776)	(6,720,078)
	<u>10,598,642</u>	<u>1,537,329</u>	<u>12,135,971</u>

23. THE FUNDS OF THE GROUP - 2023

	Brought forward 1.4.22	Incoming Resources	Resources Expended	Net gains / (losses) on invest- ments	Transfers In / (Out)	Carried Forward 31.3.23
Unrestricted Funds						
General funds	6,319,149	12,951,090	(13,227,977)	-	318,219	6,360,481
Groundwork South	(283,779)	4,174,385	(4,123,312)	-	160,200	(72,506)
Inter Group trans.	-	(978,776)	978,776	-	-	-
Total General funds	6,035,370	16,146,699	(16,372,513)	-	478,419	6,287,975
Designated funds	2,135,361	-	-	-	(10,000)	2,125,361
Fair value reserve	2,144,132	-	-	(254,850)	-	1,889,282
Total Unrestricted Funds	10,314,863	16,146,699	(16,372,513)	(254,850)	468,419	10,302,618
Restricted Funds						
Revaluation fund	1,060,106	-	-	(19,717)	-	1,040,389
Property fund	477,223	-	-	-	(5,000)	472,223
Programme funds	-	14,368,318	(14,065,099)	-	(303,219)	-
Groundwork South	-	3,415,937	(3,255,737)	-	(160,200)	-
Inter Group trans	-	(770,950)	770,950	-	-	-
Total Restricted Funds	1,537,329	17,013,305	(16,549,886)	(19,717)	(468,419)	1,512,612
Total Funds	11,852,192	33,160,004	(32,922,399)	(274,567)	-	11,815,230

23. THE FUNDS OF THE GROUP – 2022

	Brought forward 1.4.21	Incoming Resources	Resources Expended	Net gains / (losses) on invest- ments	Transfers In / (Out)	Carried Forward 31.3.22
Unrestricted Funds						
General funds	6,098,323	10,931,437	(10,722,657)	-	12,046	6,319,149
Groundwork South	(475,685)	3,430,911	(3,329,642)	-	90,637	(283,779)
Inter Group trans.	-	(973,707)	973,707	-	-	-
Total General funds	5,622,638	13,388,641	(13,078,592)	-	102,683	6,035,370
Designated funds	2,145,361	-	-	-	(10,000)	2,135,361
Fair value reserve	1,838,193	-	-	305,939	-	2,144,132
Total Unrestricted Funds	9,606,192	13,388,641	(13,078,592)	305,939	92,683	10,314,863
Restricted Funds						
Revaluation fund	1,079,823	-	-	(19,717)	-	1,060,106
Property fund	482,223	-	-	-	(5,000)	477,223
Programme funds	-	12,079,486	(12,082,440)	-	2,954	-
Groundwork South	-	3,169,434	(3,078,797)	-	(90,637)	-
Inter Group trans	-	(464,653)	464,653	-	-	-
Total Restricted Funds	1,562,046	14,784,267	(14,696,584)	(19,717)	(92,683)	1,537,329
Total Funds	11,168,238	28,172,908	(27,775,176)	286,222	-	11,852,192

THE FUNDS OF THE CHARITY -2023

	Brought forward at 1.4.22	Incoming Resources	Resources Expended	Net gains / (losses) on investments	Transfers In / (Out)	Carried Forward at 31.3.23
	£	£	£	£	£	£
Unrestricted Funds						
General funds	6,319,149	12,951,090	(13,227,976)	-	318,218	6,360,481
Designated funds	2,135,361	-	-	-	(10,000)	2,125,361
Fair value reserve	2,144,132	-	-	(254,850)	-	1,889,282
Total Unrestricted Funds	10,598,642	12,951,090	(13,227,976)	(254,850)	308,218	10,375,124
Restricted Funds						
Revaluation fund	1,060,106	-	-	(19,717)	-	1,040,389
Property fund	477,223	-	-	-	(5,000)	472,223
Programme funds	-	14,368,318	(14,065,100)	-	(303,218)	-
Total Restricted Funds	1,537,329	14,368,318	(14,065,100)	(19,717)	308,218	1,512,612
Total Funds	12,135,971	27,319,408	(27,293,076)	(274,567)	-	11,887,736

THE FUNDS OF THE CHARITY -2022

	Brought forward at 1.4.21	Incoming Resources	Resources Expended	Net gains / (losses) on investments	Transfers In / (Out)	Carried Forward at 31.3.22
	£	£	£	£	£	£
Unrestricted Funds						
General funds	6,098,323	10,931,437	(10,722,657)	-	12,046	6,319,149
Designated funds	2,145,361	-	-	-	(10,000)	2,135,361
Fair value reserve	1,838,193	-	-	305,939	-	2,144,132
Total Unrestricted Funds	10,081,877	10,931,437	(10,722,657)	305,939	2,046	10,598,642
Restricted Funds						
Revaluation fund	1,079,823	-	-	(19,717)	-	1,060,106
Property fund	482,223	-	-	-	(5,000)	477,223
Programme funds	-	12,079,486	(12,082,440)	-	2,954	-
Total Restricted Funds	1,562,046	12,079,486	(12,082,440)	(19,717)	(2,046)	1,537,329
Total Funds	11,643,923	23,010,923	(22,805,097)	286,222	-	12,135,971

24. THE FUNDS OF THE CHARITY

Unrestricted Funds

General Funds

Funds available are sufficient to permit the company to continue in operation in the short term given the continued support of the funders. Should this support not continue in the longer term, further financial support would need to be sought to replace it. Where funds which are regarded as restricted are awarded based on outputs rather than actual costs any funds not applied against directly identified costs are

transferred at the year end to unrestricted funds to cover overhead costs not directly recharged. Income that has not been fully delivered or earned is deferred.

Designated Funds

The Designated Fund represents funds transferred from the general fund for the purpose of Groundwork London development. This includes the cost of the Morley Street property less the property depreciation charges.

Fair Value Reserve

The Fair Value Reserve is a reserve for the unrealised gains and losses on the charity's unrestricted fixed asset investments and investment property revaluations.

Groundwork South

These financial statements include the results of The Groundwork South Trust Ltd (registered co number 01982077, registered charity no. 293705) following Groundwork London becoming sole company member on 14th March 2017. The funds held in the group accounts represent the general funds of The Groundwork South Trust Ltd at 31st March 2023. Funds are transferred from unrestricted to restricted at the year-end on the basis that no restrictions exist on the income and expenditure recognised.

Restricted Funds

Revaluation Fund

A revaluation fund is required by the Companies Act 2006 where investment properties are revalued subsequent to their acquisition, or in the case of assets held prior to the mergers, transfer to the control of Groundwork London. The balance shown on the revaluation reserve in the accounts, represents the difference between the revaluation of the investment in the Denmark Hill property (in 2003) and its original cost.

Property Fund

The investment property fund represents the valuation of the properties. The properties are the public house at Denmark Hill Station, the workshops and flats at Artichoke Mews and the property at Lower Clapton Road.

The properties at Denmark Hill and Artichoke Mews are intended to be set aside so that the returns are used for the day to day expenses of the charity in relation to projects undertaken within the London Borough of Southwark. The property at Lower Clapton Road is a freehold property transferred from Groundwork East London. The trustees have set aside an amount equivalent to the value of the investment properties as designated funds. The revaluation surplus following the most recent valuation of the properties for Denmark Hill is held in a separate Revaluation Fund.

The investment income less the investment management costs are allocated to a "Property" restricted fund.

Programme Funds

Grants, which are received for specific programmes (Communities & Young People, Urban Landscapes and Open Space, Employment & Skills Training and Environmental Services), are accounted for as restricted funds. The balances on restricted funds arise from grants received for these programmes on which some expenditure is still to be incurred in the coming financial year. Where funds which are regarded as restricted are awarded based on outputs rather than actual costs, any funds not applied against directly identified costs are transferred at the year end to unrestricted funds to cover overhead costs not directly recharged. There were no restricted balances on these grant funded programmes at 31st March 2023.

Groundwork South

Income which is received for specific programmes (Greener Living and Working, Youth and Employment, Parks and Open Spaces) are accounted for as restricted funds. These financial statements include the results for the year of The Groundwork South Trust Ltd (registered co number 01982077, registered charity no. 293705) following Groundwork London becoming sole company member on 14th March 2017. The balance of funds in the group accounts at 31st March 2023 represent the total funds held by The Groundwork South Trust Ltd at this date.

25. RECONCILIATION OF CONSOLIDATED NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group		Charity
	31.3.23	31.3.22	31.3.23
	£	£	
Net movement in funds	(36,962)	683,954	492,048
Investment income	(418,874)	(425,124)	(433,212)
Depreciation	111,175	120,942	104,611
(Increase) in debtors	(1,822,395)	(838,747)	(520,140)
Net loss/ (gains) on cash investments	274,567	(286,222)	(286,222)
Increase in creditors	224,615	944,114	194,142
Cash flows from operating activities	(1,667,874)	198,917	(448,773)

26. Analysis of changes in net debt

	31.3.22	Cash flows	Other Non-Cash change	Group 31.3.23
	£	£	£	£
Cash and Cash equivalents				
Cash	6,150,382	(1,298,044)	-	4,852,388
Overdrafts	-	-	-	-
Cash equivalents	-	-	-	-
	<u>6,150,382</u>	<u>(1,298,044)</u>		<u>4,852,388</u>
Borrowings				
Debt due within 1 year	-	-	-	-
Debt due after 1 year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>6,150,382</u>	<u>(1,298,044)</u>	<u>-</u>	<u>4,852,388</u>

	31.3.22	Cash flows	Other Non-Cash change	Charity 31.3.23
	£	£	£	£
Cash and Cash equivalents				
Cash	5,279,795	(894,885)	-	4,384,910
Overdrafts	-	-	-	-
Cash equivalents	-	-	-	-
	<u>5,279,795</u>	<u>(894,855)</u>	<u>-</u>	<u>4,384,910</u>

26. Analysis of changes in net debt – cont'd

	At 31.3.22 £	Cash flows £	Other Non-Cash change £	At 31.3.23 £
Borrowings				
Debt due within 1 year	-	-	-	-
Debt due after 1 year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	5,279,795	(894,855)	-	4,384,910

27. FINANCIAL INSTRUMENTS

	Charity	
	31.3.23	31.3.22
	£	£
Financial Assets		
Financial assets measured at fair value through income and expenditure	2,864,282	3,119,132
Financial assets that are debt instruments measured at amortised cost	<u>9,517,518</u>	<u>9,376,989</u>
	12,381,800	12,496,121
Financial Liabilities		
Financial liabilities measured at amortised cost	<u>(1,702,153)</u>	<u>(2,234,980)</u>
	10,679,647	10,261,141
	Group	
	31.3.23	31.3.22
	£	£
Financial Assets		
Financial assets measured at fair value through income and expenditure	2,864,282	3,119,132
Financial assets that are debt instruments measured at amortised cost	<u>10,810,592</u>	<u>10,447,790</u>
	13,674,874	13,566,922
Financial Liabilities		
Financial liabilities measured at amortised cost	<u>(1,903,693)</u>	<u>(2,724,939)</u>
	11,771,181	10,841,983

Financial assets measured at fair value through income and expenditure comprise fixed asset investments in UK listed investments.

Financial assets measured at amortised cost comprise all cash and cash equivalent balances and debtor balances, excluding prepayments and accrued income.

Financial liabilities measured at amortised cost comprise all creditor balances except deferred income.

28. CAPITAL COMMITMENTS

At 31st March 2023 there were no capital commitments or contingent liabilities for Groundwork London or Groundwork South.

29. RELATED PARTY TRANSACTIONS

Transactions between the charity and its wholly controlled subsidiary are not disclosed, as permitted by the exemptions set out in Section 33.1A of FRS 102 (Related Party Disclosures).

30. ACKNOWLEDGEMENTS

Groundwork London thanks all its supporters. We have been asked specifically to acknowledge the support of the following funders

Source	Project
BIG Lottery	BBO ILM North
BIG Lottery	BBO ILM South
BIG Lottery	BBO Coast to Capital

Accounts

Annual Report and Financial Statements 2021/22

Groundwork London

**(A company limited by guarantee)
18 – 21 Morley Street
London
SE1 7QZ**

Registered Charity No. 1121105
Registered Company No. 04212532 (England and Wales)

Contents

	Page
Report of the Trustees	3
Chair's Report	4
About Groundwork	5
Objectives and Activities	6
Public Benefit Statement	6
Strategic Report	8
Achievements and Performance	8
Financial Review	13
Future Plans 2022/23	14
Principal Risks and Uncertainties	17
Reference and Administrative Details	19
Structure, Governance and Management	20
Statement of Trustees' Responsibilities	23
Independent Auditors' Report	24
Consolidated Statement of Financial Activities	27
Charity Statement of Financial Activities	28
Consolidated Balance Sheet	29
Charity Balance Sheet	30
Consolidated Cash Flow Statement	31
Charity Cash Flow Statement	32
Notes to the Financial Statements	33-53

Report of the Trustees for the year ending 31 March 2022

The trustees are pleased to present their annual directors' report together with the consolidated financial statements of the charitable company and its subsidiaries for the year ending 31 March 2022 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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).

Groundwork London's operational focus is primarily on London; the City of London and the 32 London Boroughs. Groundwork London is also the sole company member of Groundwork South whose operational focus is on the South East and South West regions of England, and that part of the District of Three Rivers within the Colne Valley Regional Park. Where specialist services are required, these are delivered across both Trust areas by specialist teams.

Both Trusts have a Board of Trustees who are principally responsible for the strategic oversight and governance of Groundwork activities within their operational areas. Each Trust has its own business plan defining the activities it plans to deliver in its area of operation. Each Trust will produce an Annual Report and Financial Statements. This report includes the consolidated financial statements of Groundwork London and its subsidiaries, details of charitable activities within the two operation areas will be described separately within each company's annual report.

Chair's Report

In our annual report of 2020/21 we noted the significance of the year being the beginning of the COVID-19 pandemic and the year the UK left Europe – we remarked that it was an extraordinarily challenging year for us all. It turns out that 2021/22 was another extraordinarily challenging year for us all as we continued to feel the longer term impacts of these life changing events.

Groundwork London works with communities across the capital to transform their lives and the places they live. We are operating in a city facing great social, economic and environmental challenges.

Over 2.5 million Londoners are living in deprivation, with many struggling in areas such as economic inequality, social stress, health and wellbeing, food and fuel poverty, environmental quality, and the impacts of a changing climate. Our work supports these diverse and vulnerable communities to find practical, long-term solutions to many such challenges.

Sadly, the need for our work continues to grow as communities and individuals struggle under these pressures. Last year, despite the challenges to the delivery of services, we exceeded our business plan targets significantly delivering over 600 projects to a value of £23m.

We did not do this on our own. The strength of our approach lies in the relationships we build and maintain with our funders and partners across the public, private, and voluntary sector, and within the communities themselves.

We offer our sincere thanks and appreciation to our staff, trustees, partners, and volunteers for all the hard work and passion they continually give to everything they do. It reminds us that we all share a vision for the future: where every Londoner can thrive and benefit from a greener, safer, healthier, and more equitable city.

We are pleased to present our 2021/22 Annual Report, demonstrating the difference we've made to the lives of thousands of Londoners.

As a member of the Groundwork Federation, we are proud to support our neighbouring Trust Groundwork South as our wholly owned subsidiary. Groundwork South has changed significantly in the last three years to ensure efficient and effective delivery of high quality services across the South East and South West of England, and will present its own Annual Accounts.

Whilst we take this time to reflect on our successes to date, it's important to also look towards the future. We know that the social, economic and environmental impacts have been immense and will be felt for many years to come, and that the poorest of our communities will be the most greatly affected.

We will continue to create and deliver services to meet the changing needs of London and its most in need communities, by working to three key strategic objectives:

- **Improving people's prospects** - delivering support to increase the confidence, skills, well-being, and employability of young people and adults.
- **Creating better places** - supporting communities to work together in making their neighbourhoods safer, healthier, greener, and more resilient to climate change; and enabling their active involvement in the decision-making concerning the services in their area.
- **Promoting greener living and working** - helping people, organisations, and businesses to learn more about their environmental impact and how they can behave more sustainably; addressing food and fuel poverty; and improving health and wellbeing.

We thank you all and look forward to working with you.

Alan Smith
Chairman



About Groundwork

Vision

Our vision is of a society of sustainable communities which are vibrant, healthy and safe, which respect the local and global environment and where individuals and enterprise prosper.

Mission

Our mission is to transform lives and places in communities in need.

Our core values:

- **equality and diversity** - valuing differences and treating everybody and all things with respect
- **innovation and learning** - always looking for new and better ways of working
- **subsidiarity** - making decisions at a level as close as possible to the communities we serve
- **integrity and professionalism** - maintaining high personal and professional standards
- **partnership** - working alongside communities, public bodies, higher and further education institutions, private companies and other voluntary sector organisations to deliver maximum benefits to people, places and businesses
- **sustainability** - respecting nature's limits and the needs of future generation

Our Approach

- **We operate within the Federation of Groundwork Trusts** - sharing learning and identifying local opportunities to national programmes, as well as collectively mobilising practical community action to accumulate impact on poverty and environmental issues right across the UK.
- **We work with others** - we collaborate with individuals, communities, Local Authorities, the Mayor of London and other public sector organisations, regional bodies, the private sector and the voluntary/charitable sector to deliver positive change in London.
- **We join things up** - we bring our skills and expertise and forge strong partnerships that enable us to deliver maximum impact for communities and maximum value for money for those who help us do it.
- **We support those in most need** - we provide targeted and inclusive support tailored to address the specific needs of vulnerable, excluded or diverse communities and tackle material hardship by building skills and capacity.
- **We measure our impact** – we focus the time and resources, as well as work with others, to really understand the impact of our work and the social value we are achieving.
- **We innovate** - we pilot and test new solutions and approaches. We embed successful practice in our future work and share our learning with others.

Objectives and Activities

Charitable Objectives

Groundwork London's charitable objectives are set down in its Articles of Association, they include:

- to advance public education in environmental matters and other ways of better conserving, protecting and improving the same wheresoever;
- to advance the education of the public in subjects relating to sustainable development and the protection, enhancement and rehabilitation of the environment and promote study and research in such subjects;
- to promote the efficiency and effectiveness of charities in the direct furtherance of their objects; And within the area defined as London, the South East and South West regions of England, and that part of the District of Three Rivers within the Colne Valley Regional Park;
- to promote the conservation, protection and improvement of the physical and natural environment
- to provide facilities in the interest of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for those living or working in or resorting to the area;
- to promote for the public benefit urban and rural regeneration in areas of social and economic deprivation;
- to promote sustainable development for the benefit of the public;
- to promote the efficiency and effectiveness of the voluntary sector for the benefit of the public by the provision of information, support and advice to local community based groups.

Strategic Objectives

To deliver our charitable objectives we:

- Create and deliver programmes and projects to meet the needs of local communities:
 - Improving people's prospects
 - Promoting greener living and working
 - Creating better places
- Build productive relationships and partnerships, influence and shape policies and share learning
- Maintain a strong, viable business, achieving excellence in service delivery

Public Benefit Statement

All Groundwork London's activities contribute to the achievement of our strategic aims & objectives and are undertaken to further our charitable purposes for the public benefit. Our main activities and who we try to help are described below. We review our aims, objectives and activities each year in the Business Planning process. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are established to help. The review also helps us ensure our aim, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Grant Making Policy

The Trust administers applications for various grants schemes on behalf of partnerships with local authorities and other Public Agencies. The Applications are reviewed against specific criteria and business objectives, which are set out by the grants panels and awarded to constituted groups.

Strategic Report

Working with Groundwork South

Groundwork London is a member of the Groundwork Federation, together we are working locally and nationally to transform lives in the UK's most disadvantaged communities. In 2017 Groundwork London agreed to provide financial support and to become the sole company member of Groundwork South, to enable the Groundwork South Trust to continue to deliver Groundwork services in areas of need.

Groundwork South continues to operate with its own identity, its own geographical focus and with its own Board of trustees as an independent charity and company limited by guarantee. We are proud to support the Trust which has undergone significant change to ensure the effectiveness and efficiency in its operations whilst continuing to deliver high quality services across the South East and South West of England.

In future years, Groundwork South will continue to operate as an independent Trust, and will benefit from both Trusts working together through executive, finance and support services functions. Groundwork South, does not currently deliver all 'Groundwork services' across its area, in future, highly specialised services will be provided with leadership from Groundwork London whilst delivery will continue to be embedded in local areas; and delivered by the Groundwork South team.

Groundwork South has produced its own annual accounts for 2021/22. Their annual report and accounts demonstrate the considerable contribution the Trust is making to Changing Places and Changing lives in the South East and South West of England.

Financial Review

Groundwork London has determined to voluntarily provide a Statement of Financial Activity for 2021/22, as well as the required consolidated accounts for Groundwork London and Groundwork South (as its wholly owned subsidiary) for the same period.

The consolidated statement of financial activities for Groundwork London and for Groundwork South for the year ended 31st March 2022 shows a total income of £28.172m. The consolidated balance sheet shows total Funds of £11.852m of which £3.672m is designated and restricted reserves.

Groundwork London's subsidiary, Groundwork South, has a deficit at 31 March 2022 of £283,779. Groundwork South made financial losses in the years in and prior to 2018/19. Following a restructure of governance and management in 2018, GWS is now operating at a surplus with £191,906 confirmed in the statutory accounts for the year ending 2021/22 and previously £79,537 in 2019/20 and £8,952 in 2020/21. This has reduced the balance sheet deficit to £283,779 at 31st March 2022.

GWS is committed to retaining surpluses until GWS has 180 days of unrestricted reserves which we estimate will take 2 years. As explained in the Trustee Report, by virtue of the loans from GWL, GWS continues to operate as a going concern.

The remainder of this Strategic report focuses on Groundwork London.

Related Party Transactions

The Trust is supported by Groundwork UK and the national Federation of Groundwork Trusts and has strong links and collaborative working arrangements with other Trusts within the Federation. Each Trust is an independent charity, but they all share a similar ethos. Each Trust is responsible for its own management and administration, and for developing and delivering projects, that meet its objectives and core purposes.

The SORP determines that a charity is not necessarily related to another charity simply because a particular person happens to be a trustee of both. It will only be related if one charity subordinates its interests to the other charity in any transaction because of this relationship. The Federation of Groundwork Trusts and other Groundwork Trusts are therefore not considered to be related parties under the definition of the SORP and the grants made by the Federation to individual Trusts do not require separate disclosure.

Strategic Report

Groundwork London's principal focus is on delivering activity to meet the needs of London and Londoners.

Achievements and Performance

Groundwork was established almost forty years ago at a time of political, social and economic challenge as an experiment to help communities find their own answers to the problems they face. Today we face a myriad of similar, emerging and new challenges where the need for Groundwork services and support is even more critical. 2021/22 saw the COVID-19 pandemic continue and the UK and the world emerge to new ways of life and new ways of working, whilst wrestling with the ongoing impacts and influences which are hard to predict and plan for. It was also the year that we started to better understand and realise the impacts (both positive and negative) of the UK leaving Europe.

In the face of ongoing uncertainty, our staff teams have worked relentlessly to deliver much needed services to communities in need. With London's population at 9 million and with the number of Londoners living in poverty at around 2.5million, these hugely diverse and vulnerable communities have faced the greatest impact of COVID-19. Last year we responded by growing and delivering over 600 projects targeting the most disadvantaged, hardest hit communities and continuing to amending our ways of working in response to COVID-19 and the political, social, economic and ever-increasing environmental challenges.

Our work was delivered in partnership with Local Authorities, Housing Associations, London regional agencies, the private sector and other voluntary organisations. We have progressed positive working relationships within the London Boroughs of Haringey, Camden, Croydon, Barnet, Brent, Islington, Hammersmith & Fulham, Ealing, Hounslow, Wandsworth, Lambeth, Southwark, Lewisham, Newham, Hackney, Waltham Forest, Enfield, the Royal Boroughs of Kensington & Chelsea, Kingston Upon Thames and Greenwich, and the City of Westminster.

We delivered 63 projects involving Housing Association partners last year, reflecting the needs of residents supported by Housing Associations. Our plans to continue building new and strengthening existing relationships with corporate partners, largely through the employee volunteering route, have continued to be significantly affected by COVID-19 and have been slow to return as we maintained engagement with around 50 corporates. The outlook moving into the new corporate volunteering 'season' do show signs of a promising return to where things stopped so dramatically with COVID-19 lockdowns.

We continued to build on productive relationships with regional bodies and in particular the Greater London Authority (GLA), delivering 46 programmes involving regional agencies. As part of our strategic work, we continued to serve on the Cross River Partnership Board, the All London Green Grid Steering Group and our Community Interest Company – *Our ParkLife* with Equans, Renaisi and Idverde.

Internally, we delivered a number of business performance and improvement measures. We retained our environmental management standard ISO14001 which we have held since 2008; and maintained our Health & Safety standard CHAS; and Achilles which covers Quality, Health & Safety, Environment and Corporate Social Responsibility. We also progressed from Disability Committed to Disability Confident in our recruitment practises. We retained our Matrix accreditation in recognition of the advice and guidance we offer our trainees and volunteers; and we have maintained our Volunteer Centre accreditation and Investors in Volunteering accreditation.

Due to the continuance of COVID-19, varying restrictions stayed in place throughout most of the year. The Trust continued to adapt our delivery methods to ensure we operated within the government guidance and continued service. The majority of staff continued to work from home. From January onwards, our offices were temporarily reconfigured to meet regulations, a new desk booking system was put in place, and office based staff commenced a phased return. Throughout the year, in response to remote working, we maintained formal and informal online meetings to enable us to communicate about projects and as a forum to listen to and understand our team and individual colleague's needs.

We have maintained our wellbeing notice board featuring resources such as the Groundwork Employee Assistant Programme with helplines, counselling, online resources and staff have contributed articles and photos about their work and interests to our regular staff newsletter.

We now have over 50 staff trained as Mental Health First Aiders to support our beneficiaries and have an established mental health first aid network to support both our staff and volunteers. We have also continue to offer mental health awareness training to many senior managers and other staff across the Trust.

In 2020 we agreed our new Groundwork London 2025 strategy through Trust wide engagement seeking the input, views and ideas from Trustees and our colleagues across the organisation. The strategy underpins our annual Business Planning and is reflected in the future plans section of this report.

It also led to the establishment of Task and Finish groups, focussing on 'Recruitment, Training & Development and Induction', this year we have embedded recommendations and actions – changing processes, communications and practices for the benefit of the whole trust. With the thread of equity, diversity and inclusion running through the task group thinking, the training & development recommendations are now being taken forward by the new Learning and Development Manager in 2022/23.

As we review our EDI staff and trustee survey undertaken in 2021/22 we expect to learn more about the progress we are making and to identify where we need to do more.

From a financial perspective 2021/22 continued to be challenging as our staff teams re-established and embedded new working models and practices into our everyday delivery. We also continued to renegotiate our contracts and output requirements with various funders, this was an ongoing process throughout the year as COVID-19 restrictions changed and changed again. We continued to operate our financial management on the basis of full cost recovery achieving our target staff utilisation rate of 84% and maintaining total indirect staff and overheads at 7% of total income.

We continued to make the most of revenues from property rental income and applying these valuable resources to new programme innovation and development.

We have delivered an incredible range of work during the year despite all the challenges of the pandemic, our achievements described below are a result of exceptional time and effort of our colleagues across the Trust adapting to new ways of working, being innovative and determined to continue to support individuals and communities in need.

Improving people's prospects – *delivering support to increase the confidence, skills, well-being and employability of those furthest removed from the labour market, in particular young people.*

We believe that supporting people into long-term, sustainable work brings them the economic and social stability that can be life changing for individuals and is an important factor contributing to strong and thriving communities. This is why we deliver an extensive portfolio of employment and skills programmes in London. Through these programmes we help hundreds of Londoners every year to grow in confidence, gain new skills and take that step into work. We work with young people, people with disabilities or health conditions, refugees, and many other Londoners who are facing barriers to employment.

In partnership with our private and public sector employers we deliver training and pre-employment programmes designed to increase the confidence, skills and overall employability of Londoner facing the greatest barriers to employment.

COVID-19 and the resulting social restrictions continued to have a significant impact on our employment programmes. Engagement with new clients proved difficult without face to face contact and the majority of our funders adjusted our targets to accept this. The volume of job vacancies for our existing clients grew sharply throughout the year as the economy reopened; this led to strong performance in achieving job entry targets.

The consistent re-opening of schools enabled us to significantly grow our support for young people at risk of underachieving or leaving school early, at time when it was needed most. It had been hoped that by Summer 2021 our National Citizen Service would have returned to delivering residential experiences for young people. Though this was not possible, we did deliver the majority of the programme as face-to-face day provision which proved a great step forward from 2020's online delivery.

In 2021, we were able to re-establish face-to-face delivery in the Nest, our Southwark based mental health & wellbeing service. In response to need, throughout the year we grew the service to include a school based programme and a parental support programme for those with children under 11.

We continued to focus on jobs in the green economy. Later in 2021, we secured contracts from the GLA to boost growth in London's Green Sector and launch a Green Space Skills Academy that will: support employers to increase the skills of their workforce; support colleges to adapt provision; and provide more support for unemployed Londoners' to access vacancies. We continued delivery of our Green team and completed a programme of greening over 25 railway stations for Govia.

Capacity increased within Rework, our domestic appliance repair workshop, as our charity retail partners reopened their stores. Westminster Wheels, our training and bike refurbishment project with Westminster City Council and Cycle Confident, which opened its doors the previous year, launched its bike servicing to the general public, helping increase income to aid future sustainability.

Now that our Volunteering offer has resumed following the nationwide lockdown, our Volunteering Services in Royal Borough of Kingston, LB Barnet, and Waltham Forest have become more embedded in the community and continued to be interlinked with the NHS, councils and charities who, as they also recovered, provided services to communities and individuals who needed essential support. During the COVID response we supported over 7,300 volunteers who provided more than 36,600 hours of volunteering including frontline support for the shielding, community testing, food distribution, and the vaccine roll out. We also set up new services such as the Barnet Health Champions, a network over 250 local people sharing COVID health messaging to those most affected by the virus.

Building on more than a decade of experience delivering successful integration programmes for refugees and migrants, in the last year our diverse workforce delivered bespoke support for high-need groups from Afghan, Hong Kong, and Ukrainian communities. Our caseworkers are working closely with families to provide integration across health, education and training, social and housing. Our work guides refugees towards independence and stability helping to build solid social connections and smoothly transition into UK life.

Promoting greener living & working – *helping people and businesses learn more (about their environmental impact and act responsibly to reduce natural resource use and improve their health.*

Fuel poverty continues to affect London's most vulnerable residents, with some GLA modelling showing that it could potentially impact as many as 24% of London households. It is families with young children, the elderly and those with existing health conditions that suffer the most acute effects of this through mental stress, poor health and wellbeing.

Our home energy advisors - *Green Doctors* have continued to respond to the needs of the most vulnerable providing both face visits, online information and phone based 'virtual visit'. We provided over 2200 visits across London last year, to those in fuel debt helping people to reduce their energy bills, improve their health and wellbeing and save energy. We continue to respond to external challenges post Covid developing our service to provide additional support to funders and residents, helping tackle the cost of living crisis, offering practical behaviour change advice, benefit checks and fuel vouchers, alongside installing energy saving measures.

London's water supplies continue to be stretched further and further each day as the capital's population continues to grow. By 2050, if we keep using water as we are today, we will need an extra 250 million litres a day. One of the solutions is for Londoners to use, and waste, less water. Our COVID-19 initiated virtual visits with reduced scope for water saving were discontinued, in favour of tried and tested in-home visits with customers happy to allow us to engage with them directly in their homes. During 2021/22 we delivered water efficiency visits to 25,000 residential properties, targeting high water users.

Our 'Smarter Business Visit' programme, delivering at full capacity again post-COVID-19, achieved its target of 12ML per day water savings (double that achieved in 2020/21), largely through focusing extensively on schools during their period of closure. We also worked with Groundwork South to continue delivery of our pilot with South East Surrey Water, again focusing of schools in their service area, and began conversations with South East Water to deliver a small domestic water efficiency trial.

Our community reuse hubs, The Loops, which we set up in 2015 on the Pembury Estate and Grahame Park Estate, as part of the EU LIFE funded REPURPOSE programme continue to provide essential services for local communities. Again our services collecting unwanted furniture and household appliances from residents' homes which are repaired, and sold on to residents at low cost, have resumed. The Loop @ Grahame Park continues to be a community hub, supporting and engaging its volunteers, providing workshops and training on themes such as repair and crafts. All the money raised from sales is reinvested into the project, to buy workshop equipment, and to provide more local events and free training.

Our REUSE activity resulted in diverting over 430 tonnes of waste from landfill, which contributed to an overall saving of over 7,440 tonnes of CO₂ emissions across all our activities.

Our health focussed work continues to grow on the frontline with a team of 12 social prescribing link workers providing support to patients within GP practice across the London Borough of Hounslow

Creating better places – *supporting people to work collectively to make their surroundings greener, safer and healthier and be actively involved in the way decisions are made about services in their area.*

Our work with communities has continued to provide support to those most in need throughout the year, supporting over 3260 community groups against our original target of 2000. This arose mainly due to our COVID-19 response work with Local Authorities and voluntary organisations as well as the Tesco Enablers programme and Grants programmes that set out to support communities during the pandemic. Nearly 400 projects in London were awarded close to £1m of Tesco's Bags of Help community grants with funds targeted on children & young people as well as food security projects.

The portfolio of environmental and community grant schemes we manage on behalf of our national and regional partners, supported 930 projects throughout London, awarding over £12m to a wide range of groups. These community groups and organisations used the grants to transform forgotten places, support and engage with the regeneration the Royal Docks in East London, increase access to employment training, cycling and walking, nature and culture, and to reduce social isolation, tackle hate crime & violent extremism, as well as realising hundreds of life changing projects across the capital. For many grantees this new funding came at a critical time in light of the challenging years from COVID-19 delivery restrictions.

Last year we worked with communities and funded community groups across London to make improvements to over 18 hectares of public open spaces, including public parks, playgrounds, housing estates, community gardens, hospital grounds, nature reserves, and many more of London's valuable public open spaces.

Building on our successful Housing Estates Improvement Programmes (HEIP) which works with communities to upgrade open spaces and public realm, we have delivered a new programme on 5 housing estates for LB Hounslow.

We have continued to deliver a significant programme of estate-wide sustainable drainage retrofit on the White City Estate, enhancing our reputation as a leading deliverer of SUDS retrofit in the capital. This led to the success of our application to the Green and Resilient City Fund in partnership with London Borough Hillingdon. We have begun a 2 year programme 'Green Blue You' aiming to reduce flood risk and alleviate pollution to water courses, improving and creating habitats including woodland, meadows and rivers. The project will work with residents to create greener and more biodiverse estates and provide local young people and residents with opportunities to learn new green skills through volunteering and training.

Our work delivering the EU Horizon 2020 CLEVER Cities Programme is now approaching its final year. Working with London partners GLA, Peabody and Social Finance, the Groundwork Clever Cities team leads on the co-creation programme of the Making Space for Nature which builds relationships with local stakeholders and provides opportunities for people in Thamesmead to participate in the development of greener and more socially cohesive open space and to celebrate and improve the abundance of natural resources. During the last year the focus has been creating a toolkit for co-creation and the managing a micro grants programme for local residents to transform their neighbourhood.

Groundwork London Financial Review

Groundwork London has determined to voluntarily provide a Statement of Financial Activity for Groundwork London 2021/22 as well as the required consolidated accounts for Groundwork London and Groundwork South (as its wholly owned subsidiary) for the same period. The financial review of the group is described earlier in this report.

Groundwork London shows income achieved in the year of £23,010,923 with expenditure of £22,805,097.

Principal Funding Sources

Funding for Groundwork London was provided by the following sources:

	£
Local Authorities	2,835,317
Public and Regional Agencies	10,906,109
European Union	2,184,441
Private Sector	6,149,601
National Lottery	935,455
	<u>23,010,923</u>

Reserves Policy

The Board of Trustees has agreed a long term aim of holding unrestricted, free reserves equivalent to six months' (180 days) running costs. The Board believes this is a prudent level of reserves for a Charity based in Central London and is in line with other Groundwork Trusts.

The Board has agreed that a reasonable level of reserves is required to:

- absorb short term setbacks such as loss or delays in funding
- finance working capital needs and fund time delays between the expenditure and receipt of funds
- set aside funds for appropriate capital assets such as IT equipment and securing and developing suitable premises

The Board monitor unrestricted reserves on a quarterly basis and the Reserves Policy is reviewed on an annual basis to assess the needs of the organisation.

At the year-end unrestricted reserves shown in the balance sheet covered 155 days (2021: 173 days) running costs. The reserves days includes the consolidation of Groundwork South's accounts into the Groundwork London accounts.

Future Plans 2022/23

In line with our new strategy: Groundwork 2025, our ambition is continue to be a significant force for changing places and changing lives across London. During 2022/23 Groundwork London will work to the following strategic objectives:

1. Creating and delivering services to meet the needs of London and Londoners.

Delivering high quality, innovative actions with multiple economic, social and environmental benefits will be central to all that we do. Our priorities are:

Improving people's prospects – delivering support to increase the confidence, skills, wellbeing and employability of young people & adults.

Creating better places – supporting people to work collectively to make their surroundings greener, more resilient, safer and healthier; and be actively involved in the way decisions are made about services in their area.

Promoting greener living and working – helping people, organisations and businesses learn more about their environmental impact and act responsibly to reduce natural resource use; address food and fuel poverty; and improve health and wellbeing.

2. Building productive relationships and partnerships, influence and shape policies and share learning

The success of our work is reliant on building long-term, cross sector alliances to develop collaborative business opportunities and by adding value to local and regional strategic partnerships. We will focus on:

- Developing and expanding our associations with the London Boroughs and the Housing sector
- Exploring and creating new programme activities with the GLA and TfL, London Councils, and the London Strategic Waste Authorities, Health commissioners and providers and academic institutions
- Develop new services for residents and businesses with utilities companies and expanding our work with the corporate sector
- Provide management and Board support to Cross River Partnership, London Community Resource Network and Our Park Life
- Working with the voluntary sector and other community support organisations
- Working with the members of the Groundwork Federation on business development, peer support and the future development of the Federation

3. Maintaining a strong, viable business, achieving excellence in service delivery

We will continue to innovate, evolve and grow as an organisation building on our experience, our successes and learning including the positive experiences emerging through COVID-19 delivery. We will continue to improve how we plan, deliver and measure the impact of our programmes, whilst enhancing our organisational capabilities, internal systems and operations ensuring that we are:

- Fostering a culture of equity and inclusion
- Enabling collaboration
- Driving innovation
- Demonstrating and promoting the value and benefit of our services
- Focusing on those in most need
- Continuing to invest in our competencies, professionalism and specialist skills
- Diversifying our funding
- Better understanding the climate impact of our programmes

As we continue to evolve and grow as an organisation we build on our experiences, successes, and learning. We are committed to fostering a culture of equity and inclusion and support participative and integrated working across all staff teams. As we review our EDI staff and trustee survey undertaken in 2021/22 we expect to learn more about the progress we are making and to identify where we need to do more.

We view promoting equality in the workplace as an ongoing endeavour; we aim to ensure our approach and processes continue to be aware and responsive to continuous improvement.

We will also ensure that Groundwork activity is sustained and developed across the South of England through our wholly owned subsidiary Groundwork South. We will do this via financial support in the form of loans and through leadership and management of defined specialist activities. Groundwork South will present its own business plan focused on the communities in South East & South West England.

We will deliver:

Community spaces: Enabling community led environmental improvements to publicly accessible open spaces. We will:

- Inspire, mobilise and support people to take a more active role in improving and managing the local spaces that matter to them
- Focus activity in neighbourhoods where there is more limited access to high quality open space
- Work creatively with councils and other partners to maximise the social, economic and environmental benefits of green spaces

Green infrastructure: Providing technical expertise in sustainable land management and climate change adaptation. We will:

- Provide technical expertise, including sustainable urban landscape design and Geographic Information Systems mapping intelligence
- Create spaces that are resilient to the changing climate, and that meet the needs of local communities for sport, play and recreation and enhance London's nature and heritage
- Develop understanding and expertise around carbon sequestration from our green space projects

Health & Wellbeing

Encouraging physical activity, promoting healthy eating and addressing environmental causes of health problems. We will:

- Encourage and enable people to improve their health and well-being through physical and sporting activity, or the participation in social prescribing initiatives
- Help people improve their mental health through specialist support, well-being coaching and signposting
- Address food poverty by supporting food distribution, promoting community food growing and healthy eating initiatives
- Focus on improving, and helping Londoners adapt to, major environmental issues that contribute to poor health such as poor air quality or extreme weather events

Social integration

Using a community participation approach to create stronger, more cohesive communities, to improve the quality of life and opportunity. We will:

- Tackle the social, physical and practical barriers to inclusion, including knowledge and skills, perceptions and confidence, and access issues such as digital exclusion
- Help socially isolated individuals through activities such as 1-2-1 support and creative group workshops
- Support the integration of marginalised groups, including refugees, migrants and older people, through peer support, connection to local services and building social networks

Volunteering: Brokering volunteering opportunities for individuals and organisations. We will:

- Inspire and support volunteers of all ages, finding them the right opportunities, ensuring they get the best possible experience and fulfil the goals that motivated them to volunteer.
- Support organisations to identify volunteering opportunities, and maximise the impact of their volunteers' time and skill.

Employment and Skills: Providing personal advice and guidance, training, work experience and job brokerage. We will:

- Help the most disadvantaged people improve their skills and move from welfare into sustainable employment by: personal advice and guidance; realistic work placements and trials; addressing barriers to work and linking the right people with the right jobs
- Deliver accredited training, certifying the skills that people have gained from working with us, and enabling them to gain employment and progress into further training

Youth work: Providing coaching and positive activities for young people to develop their life skills and fulfil their potential. We will:

- Run clubs and activities for young people that enable them to develop life skills and engage in rewarding work in their local community
- Work to improve the attitude, attainment, aspirations and wellbeing of young people, coaching them to make the most of their education opportunities, explore meaningful career paths and make positive life choices
- Facilitate youth social action opportunities for young Londoners
- Support the mental health and wellbeing of young people

Green Jobs: Providing practical work experience and training for sustainable employment. We will:

- Provide opportunities for those out of work to gain confidence and skills and find jobs through working on practical schemes to improve local environments, enhancing valuable open space facilities and preparing our neighbourhoods for the impacts of climate change
- Develop, create and actively promote opportunities for new 'green' job roles within Groundwork's work programmes covering areas such as reuse, water and energy efficiency
- Work closely with the London agencies driving the move to low carbon and green recovery, ensuring that those most disadvantaged from the labour market can benefit from the jobs created

Resource efficiency: Reducing waste, energy and water consumption through advice and action. We will:

- Help more people, particularly vulnerable residents, to reap the benefits from more efficient consumption of resources, changing behaviours and improving homes in order to reduce energy and water consumption and reducing utility bills
- Support public, private and voluntary sector organisations to meet carbon and water reduction targets, wider environmental management aspirations and social responsibility targets
- Contribute to London's circular economy by increasing and promoting recycling and reuse, in particular domestic furniture, white goods and bicycles

Climate Change: Ensuring our programmes and the support we provide to others mitigate the causes and negative effects of climate change. We will:

- Increase Londoners' awareness and understanding of climate change and support them to minimise the causes and effects of climate change
- Develop a Groundwork London carbon offset programme to fund carbon reduction activity
- Actively support and promote greener travel opportunities in the capital

Innovation and development: Investing in new ideas and development to meet London's changing needs. We will:

- Invest in ideas and new ways of doing things in consultation with our key partners, clients and funders to address the challenges facing London and Londoners

Principal Risks and Uncertainties

The Board accepts its responsibility under the Charity Commission's Statement of Recommended Practice (SORP) for ensuring the major risks to which the charity is exposed are identified and reviewed and that there are systems in place to mitigate against them.

The Trust undertakes an annual review of risk, the principle risks identified during the business planning process for the forthcoming year are:

- Failure to deliver targets in 'payment by results' contracts
- Ongoing impact of COVID-19 on programme delivery staff and beneficiaries
- Failure to secure funding for the projected operations plans
- Inability of the organisation to meet its utilisation targets or chargeable rates
- Poor performance and partner dissatisfaction with the quality of delivery
- Loss of large contracts

Strategic planning is central to our business management, common features that will help us address these risks are:

- Following and adjusting to government guidelines, reviewing and communicating measures in response to changes
- Undertaking regular reviews of all contracts to ensure ongoing service delivery
- Implementing adjustments to ensure agreed outputs and outcomes are met, empowering our staff to develop new, creative and effective ways of working
- Reviewing and amending our business operations, including a focus on ICT as being essential to adapting our delivery and working arrangements
- Implementing changes to our structure and operations as required to ensure the Charity can continue to deliver its charitable objectives
- Expanding our offer to existing and new partnerships with local authorities, housing associations and the private sector
- Investing in specialist skills to drive up quality across all our services
- Prioritising and consolidating development, marketing and communications to grow our visibility and broaden our access to new income sources
- Investing in our competencies and professionalism to meet the demands of commissioning, audit and evaluation
- Maintaining fundraising capacity and build stronger relationships with our key charitable trusts, foundations and lottery funders
- Continued emphasis on demonstrating the value and benefits of Groundwork's services
- Monitoring delivery and financial performance
- Preparing actions plans to mobilise change processes arising from changes or loss of major contracts
- Providing training and support to improve project and performance management and client focus skills to ensure projects are delivering required outcomes, on time and to budget
- Engaging with Groundwork South and the Federation to provide support to business management and development and specialist delivery services

Financial management of projects is controlled using PIMS (Project Information Management System). The Trust has strong skills within the staff teams in its effective use. Expenditure is only made on projects once income has been secured. The amount of secured and unsecured income and the expenditure and revenue on all projects is analysed on a monthly basis. Detailed management information is imported from the system to provide up to date financial and operational performance against targets.

The Executive Team reviews income and contribution secured against business plan, team capacity and project performance together with other business information. These are also reported to the staff teams at monthly Operations and Development meetings and on a quarterly basis to the Board, to focus Trust attention on achieving Business Plan targets.

In addition to reviewing the risk register, quarterly reports to the Board monitor income & expenditure and progress towards financial targets. Detailed management accounts are examined at each meeting. The Trust submits these accounts to Groundwork Federation on a quarterly basis and is monitored on security of income and financial stability.

Financial Instruments

Groundwork London's financial risk management objective is broadly to seek not to make losses from exposure to any interest rate or currency fluctuations. In the year 2021/22 we have had no exposure to these fluctuations. Our policy has been to finance fixed assets through retained reserves. Other than bank charges, no interest is payable on our bank accounts.

Reference and Administrative Details

Registered Company number
04212532 (England and Wales)

Registered Charity number
1121105

Registered office of the company and principal office of the charity
18-21 Morley Street, London, SE1 7QZ

Our advisers

Auditors	Hartley Fowler	4 th Floor, Tuition House, 27/37 St George's Road, London, SW19 4EU
Bankers	Lloyds	Blackheath Branch, PO Box 1000, BX1 1LT
Solicitors	Bates, Wells & Braithwaite	61 Charterhouse Street, London EC1M 6HA

Key management personnel: Directors and Trustees

The directors of the charity are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

Co-opted	Alan Smith (Chair 1/4/14)	appointed	20/02/2012
	Graham Beal	appointed	10/03/2014
	Dan Davidson	appointed	08/05/2014
	Phil Stokes	appointed	17/07/2014
	Keith Taylor	appointed	20/03/2017
	Sophie Taysom	appointed	20/04/2020
	Bradley Pritchard	appointed	28/09/2020
	Lanre Bello	appointed	28/09/2020
	Sadaf Rasheed	appointed	28/09/2020
	Tom Leake	appointed	28/09/2020

Groundwork UK nominee	Marilyn Baxter	appointed	20/03/2017
------------------------------	----------------	-----------	------------

Local Authority nominee	Susan Wise	appointed	01/06/2015
--------------------------------	------------	-----------	------------

Company Secretary	Stuart Harrison
--------------------------	-----------------

Key management personnel: Senior Managers

Executive Director	Lindy Kelly
Director, Finance & Corporate Services	Stuart Harrison
Director, Communities & Environmental Services	Ben Coles
Director, Youth, Employment & Skills	Graham Parry

Structure, Governance and Management

Structure

Groundwork London is a registered charity and company limited by guarantee and is governed by its Articles of Association. Groundwork London was registered as a limited company on 8th May 2001 under the name Groundwork London Partnership and changed its name by Special Resolution to Groundwork London on 10th September 2007. On 1st November 2007 Groundwork London merged with Groundwork Southwark & Lambeth, Groundwork South East London and Groundwork Merton. On 1st April 2008 Groundwork London merged with Groundwork West London and incorporated the London activities of Groundwork Federation (non-legal incorporation). Groundwork North and Groundwork East London transferred as mergers on 1st April 2009.

Groundwork London is a member of the Federation of Groundwork Trusts in England, Wales and Northern Ireland, each working with partners to improve the quality of the local environment, the lives of local people and the success of local businesses in areas in need of investment and support. The Federation Membership Agreement is a bilateral agreement jointly signed by both the Trust and the Federation, setting out the obligations, defining the minimum quality and ethical standards, setting out the core values and defining the circumstances and procedures whereby Trusts may be required to leave the Federation.

Groundwork London became the sole company member of The Groundwork South Trust Ltd on the 14th March 2017. Groundwork South continues to operate as an independent company with its own Board.

The Members of Groundwork London

The company members are the Federation of Groundwork Trusts, Dan Davidson, Eugenie White, Alan Smith, Cate Newnes-Smith and Susan Wise.

Governance

As Groundwork London has evolved so has our Governance ensuring that it is both relevant and effective as well as being resilient to future changes in our operating environment.

Board of Trustees

The Governing body of the Trust is the Board of Trustees. The Board is responsible for major strategic decisions and has ultimate responsibility for the conduct and financial viability of the organisation, it meets formally four times a year. The Board comprises of not more than 15 Directors of whom not more than 6 are either nominated or appointed and 9 co-opted Trustees:

- Up to 4 appointed Local Authority members elected from the Local Authority Strategic Input Board
- 2 Groundwork Federation nominees
- 9 co-opted members

Trustees generally serve in terms of between 12 months and 3 years and can be reappointed by the Board. The Board has an agreed strategy to enable Board succession to occur on a rolling basis.

Committees

The Board has established a number of committees:

- Finance & Audit Committee is responsible for reviewing the overall status of financial and investment resources and for making appropriate recommendations to the Board. It meets four times a year.
- The Executive Recruitment & Remuneration Committee assists the Board in the appointment of the Executive Director and to support the Executive Director in the appointment of Directors and to consider and approve their remuneration. The Remuneration Committee meets once per year.
- Local Authority Members Board enables Local Authorities to shape the strategic direction of Groundwork within London boroughs, to keep their LA's informed about the breadth of Groundwork London's expertise and appoint, via an electoral process, members to the Groundwork London Board. Due to COVID-19 plans to review and rejuvenate the Local Authority Members Board was put on hold. A review of the LAM Board will be undertaken in 2023.

Induction & Training

New members of the Board of Trustees are provided with the Groundwork London Governance handbook and other key documents and have an induction meeting with the Executive Director. The induction includes an overview of the objects of Groundwork London and its Vision and Mission, the structure, its staff and volunteers and finance. Trustees are also encouraged and supported in visiting projects.

Community Interest Company – *Our Parklife*

Our Parklife was formally constituted in September 2014 by company members; Equans (previously known as Engie prior to name change); Groundwork London; Renaisi and Idverde (previously known as The Landscape Group prior to acquisition). Equans appoint two members to the Board and all other members appoint one Director. Groundwork London's has appointed two Directors who alternate, they are Graham Parry (Director, Youth, Employment & Skills) & Ben Coles (Director, Development & Strategic Programmes).

The objects of the Company are to carry on activities which benefit the community and in particular (without limitation) to promote the social, economic and environmental well-being of residents in the boroughs immediately surrounding the Queen Elizabeth Olympic Park in Stratford by providing opportunities in the Park:

- for employment and training; improving skills and knowledge; and encouraging entrepreneurship, innovation and business skills;
- within the operations of the Members across London for employment and training and improving skills and knowledge;
- for new and existing residents to meet and mix to promote cohesion and inclusion; and
- for local people to volunteer, to learn about environmental sustainability and to undertake initiatives in their own neighbourhoods and provide educational opportunities for schools and young people.

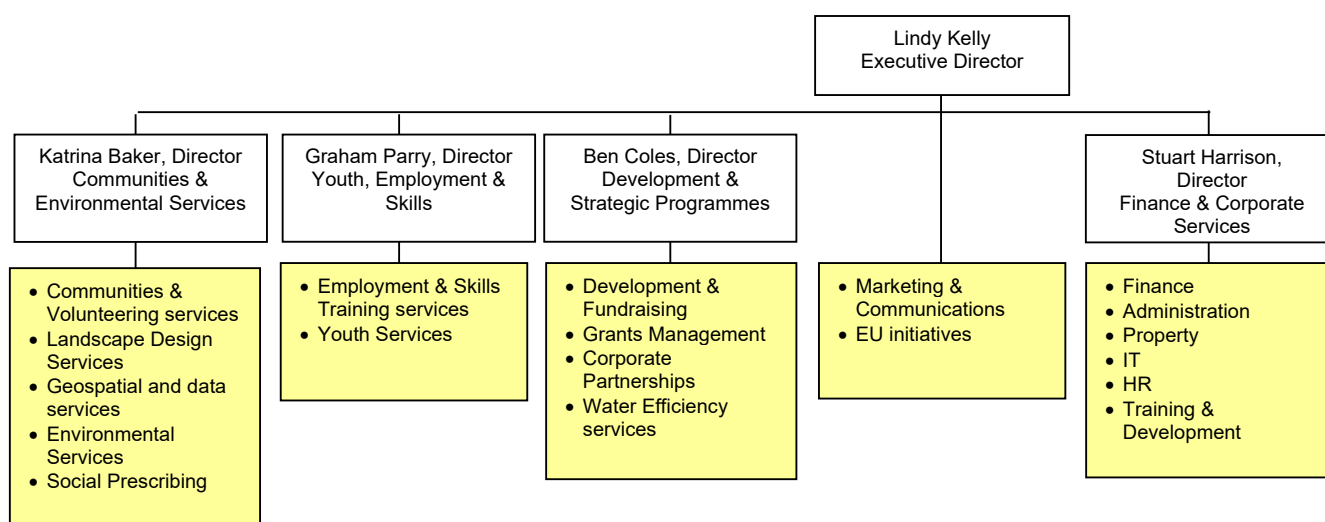
Management

The Board delegates day-to-day financial and managerial control of the organisation to the Executive Director. The Executive Director, together with the Executive Team, meets monthly to discuss the operational and financial status of the Trust.

Groundwork London's professional team continues to evolve in response to changes to our organisational structure and changes to the scale of the activities across each of our thematic areas and the needs of our business operational requirements. The framework within which our teams are organised are guided by the following principles:

- We must remain embedded in the local community, with local delivery at the core of what we do
- We must be able to operate a seamless, consistent and high quality delivery service across London
- We need to be a credible local and regional partner able to operate at a strategic level
- We must be a strong and viable organisation

Projects and programmes continue to be delivered by local teams, with management organised through area management structures and specialist service. At the end of the 2021/22 we had 325 FTE employees.



Trustees' responsibilities in relation to the financial statements

The charity trustees (who are also the directors of Groundwork London for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to 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 the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware, and
- the trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the board of trustees


.....
Trustee

Date: 26th September 2022

Independent Auditor's Report to the members of Groundwork London

Opinion

We have audited the financial statements of Groundwork London (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 group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2022 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;
- 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 Auditors' 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 Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, including the strategic 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. 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 trustees' annual report, including the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the trustees' annual report, including the strategic report has 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 their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 trustees' responsibilities statement set out in the trustees' annual report, 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 group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

We identify and assess risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Independent Auditor's Report to the members of Groundwork London (continued)

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and the charities activities;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charitable company's documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the charitable company operates in. The key laws and regulations we considered in this context included the Charities Act 2011, UK Companies Act and tax legislation.

In addition we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.

As a result of performing the above, we did not identify any key matters related to the potential risk of fraud or non-compliance with laws and regulations.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provision of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reviewing minutes of meetings of those charged with governance, reviewing internal reports, and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments, assessing whether the judgements made in making accounting estimates are indicative of a potential bias and evaluating the business rationale for any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indication of fraud or non-compliance with laws and regulations throughout the audit.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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.



Jonathan Askew, FCA (Senior statutory auditor)

for and on behalf of Hartley Fowler LLP

Statutory Auditor

Chartered Accountants

Fourth Floor, Tuition House

27/37 St George's Road

London

SW19 4EU

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Consolidated Statement of Financial Activities for the year ended 31st March 2022, incorporating the Income and Expenditure account

		Unrestricted Funds	Restricted Funds	31.3.22 Total Funds	31.3.21 Total Funds
	Notes	£	£	£	£
INCOME					
Investment income	3	425,124	-	425,124	348,195
Income from charitable activities	4	12,963,517	14,784,267	27,747,784	20,612,654
Total Income		<u>13,388,641</u>	<u>14,784,267</u>	<u>28,172,908</u>	<u>20,960,849</u>
EXPENDITURE					
Cost of raising funds	5	290,662	-	290,662	246,565
Charitable activities	6	12,787,930	14,696,584	27,484,514	20,624,756
Total expenditure		<u>13,078,592</u>	<u>14,696,584</u>	<u>27,775,176</u>	<u>20,871,321</u>
Net income before gains/ (losses) on investments		310,049	87,683	397,732	89,528
Net (losses)/ gains on investment properties	14	-	(19,717)	(19,717)	795,283
Net gains / (losses) on cash investments	18	305,939	-	305,939	341,196
Net income		<u>615,988</u>	<u>67,966</u>	<u>683,954</u>	<u>1,226,007</u>
Transfers between funds	23	92,683	(92,683)	-	-
Net movement in funds		<u>708,671</u>	<u>(24,717)</u>	<u>683,954</u>	<u>1,226,007</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>9,606,192</u>	<u>1,562,046</u>	<u>11,168,238</u>	<u>9,942,231</u>
TOTAL FUNDS CARRIED FORWARD	23	<u>10,314,863</u>	<u>1,537,329</u>	<u>11,852,192</u>	<u>11,168,238</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

The notes on pages 33 to 53 form part of these financial statements.

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Charity Statement of Financial Activities for the year ended 31st March 2022, incorporating the Income and Expenditure account

		Unrestricted Funds £	Restricted Funds £	31.3.22 Total Funds £	31.3.21 Total Funds £
	Notes				
INCOME					
Investment income	3	433,212	-	433,212	353,741
Income from charitable activities	4	10,498,225	12,079,486	22,577,711	16,713,914
Total Income		10,931,437	12,079,486	23,010,923	17,067,655
EXPENDITURE					
Cost of raising funds	5	290,662	-	290,662	246,565
Charitable activities	6	10,431,995	12,082,440	22,514,435	16,740,514
Total expenditure		10,722,657	12,082,440	22,805,097	16,987,079
Net income before gains/ (losses) on investments		208,780	(2,954)	205,826	80,576
Net (losses)/ gains on investment properties	14	-	(19,717)	(19,717)	795,283
Net gains / (losses) on cash investments	18	305,939	-	305,939	341,196
Net income		514,719	(22,671)	492,048	1,217,055
Transfers between funds	23	2,046	(2,046)	-	-
Net movement in funds		516,765	(24,717)	492,048	1,217,055
RECONCILIATION OF FUNDS					
Total funds brought forward		10,081,877	1,562,046	11,643,923	10,426,868
TOTAL FUNDS CARRIED FORWARD	23	10,598,642	1,537,329	12,135,971	11,643,923

The Statement of Financial Activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

The notes on pages 33 to 53 form part of these financial statements.

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Consolidated Balance Sheet as at 31st March 2022

		31.3.22	31.3.21
	Notes	£	£
FIXED ASSETS			
Tangible assets	12	2,279,510	2,379,520
Intangible assets	13	-	-
Investment properties	14	3,542,330	3,562,047
TOTAL FIXED ASSETS		5,821,840	5,941,567
CURRENT ASSETS			
Debtors	17	6,059,148	5,220,401
Current asset investments	18	3,119,132	2,813,193
Cash at bank		6,150,382	5,547,273
TOTAL CURRENT ASSETS		15,328,662	13,580,868
LIABILITIES			
Creditors falling due within one year	19	(9,298,310)	(8,354,196)
NET CURRENT ASSETS		6,030,352	5,226,671
TOTAL ASSETS LESS CURRENT LIABILITIES		11,852,192	11,168,238
NET ASSETS		11,852,192	11,168,238
THE FUNDS OF THE GROUP	23		
General funds		6,035,370	5,622,638
Designated funds		2,135,361	2,145,361
Fair value reserve		2,144,132	1,838,193
Restricted revaluation fund		1,060,106	1,079,823
Restricted property fund		477,223	482,223
TOTAL GROUP FUNDS		11,852,192	11,168,238

The financial statements were approved by the Board of Trustees on 26th September 2022 and were signed on its behalf by:



Alan Smith - Trustee

The notes on pages 33 to 53 form part of these financial statements

Groundwork London

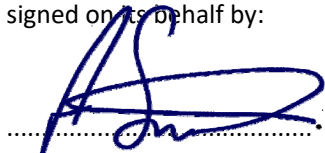
(A company limited by guarantee)

Registered Number: 04212532

Charity Balance Sheet as at 31st March 2022

	Notes	31.3.22 £	31.3.21 £
FIXED ASSETS			
Tangible assets	12	1,268,959	1,352,638
Investment properties	14	3,542,330	3,562,047
TOTAL FIXED ASSETS		4,811,289	4,914,685
NON CURRENT ASSETS	16	-	15,948
CURRENT ASSETS			
Debtors	17	5,645,833	5,125,693
Current assets investments	18	3,119,132	2,813,193
Cash at bank		5,279,795	5,300,340
TOTAL CURRENT ASSETS		14,044,760	13,239,226
LIABILITIES			
Creditors falling due within one year	19	(6,720,078)	(6,525,936)
NET CURRENT ASSETS		7,324,682	6,713,290
TOTAL ASSETS LESS CURRENT LIABILITIES		12,135,971	11,643,923
NET ASSETS		12,135,971	11,643,923
THE FUNDS OF THE CHARITY	23		
Unrestricted funds		6,319,149	6,098,323
Designated funds		2,135,361	2,145,361
Fair value reserve		2,144,132	1,838,193
Restricted revaluation fund		1,060,106	1,079,823
Restricted property fund		477,223	482,223
TOTAL CHARITY FUNDS		12,135,971	11,643,923

The financial statements were approved by the Board of Trustees on 26th September 2022 and were signed on its behalf by:



Alan Smith - Trustee

The notes on pages 33 to 53 form part of these financial statements

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Consolidated Statement of Cash Flows for the year ended 31st March 2022

	Notes	31.3.22 £	31.3.21 £
Cash flows from operating activities	25	198,717	2,612,698
Cash flow from investing activities			
Investment income received		425,124	353,741
Income from sale of investments		-	270,783
Purchase of fixed assets		(20,932)	(112,762)
Net cash used in investing activities		404,192	511,762
Net Increase/(decrease) in cash and cash equivalents		603,109	3,124,460
Cash and cash equivalents at the beginning of the year		5,547,273	2,422,813
Cash and cash equivalents at the end of the year		6,150,382	5,547,273

The notes on pages 33 to 53 form part of these financial statements

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Charity Statement of Cash Flows for the year ended 31st March 2022

		31.3.22	31.3.21
	Notes	£	£
Cash flows from operating activities	25	(448,773)	2,215,827
Cash flow from investing activities			
Investment income received		433,212	353,741
Income from sale of investments		-	270,783
Cash inflows from new investments		440,948	-
Cash outflows from new investments		(425,000)	350,000
Purchase of fixed assets		(20,932)	(112,762)
Net cash used in investing activities		428,228	861,762
Net Increase/(decrease) in cash and cash equivalents		(20,545)	3,077,589
Cash and cash equivalents at the beginning of the year		5,300,340	2,222,751
Cash and cash equivalents at the end of the year		<u>5,279,795</u>	<u>5,300,340</u>

The notes on pages 33 to 53 form part of these financial statements

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Notes to the financial statements for the year ended 31st March 2022

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Groundwork London meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. With respect to the next reporting period, 2022-23, the most significant areas of uncertainty are the impacts on Government, Local Authority funding commitments following Brexit and COVID-19.

b) Estimates and judgements

The investment property valuations referred to in note 14 are based on the professional opinion of fair value from a qualified chartered surveyor.

c) Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Grants receivable, where related to performance are accounted for as the charity earns the right to consideration by its performance. Where income is received in advance, recognition is deferred and included in creditors and where entitlement arises before income is received the income is accrued.

d) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

e) Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs. These costs are allocated to projects based on the ratio of project time incurred.

f) Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life. Items over £2,000 are capitalised.

Long leasehold	-over the term of the lease
Buildings	-2% per annum
Fixtures and fittings	-at varying rates on cost
Motor vehicles	-at varying rates on cost
Computer equipment	-at varying rates on cost

g) Intangible fixed assets

Amortisation is provided at the following rates:

Software	- 20% straight line
----------	---------------------

h) Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve. No depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to run.

i) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

j) Taxation and VAT

The charity is exempt from corporation tax on its charitable activities. The company is registered for VAT and all resources expended are inclusive of irrecoverable VAT. Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

k) Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the note 24 to the financial statements.

l) Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the period of the lease.

m) Consolidation

The financial statements consolidate the results of the charitable company and its wholly owned subsidiary, The Groundwork South Trust Ltd, on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charitable company has also been presented. The charitable company also has two dormant subsidiaries as set out in the notes to the accounts.

n) Pensions

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The company pays fixed contributions, charged to the statement of financial activities in the period to which they relate. The charity contribution is restricted to the contributions disclosed in note 11.

The money purchase plan is managed by AEGON and the plan invests the contributions made by the employee and employer in an investment fund to build up over the term of the plan.

The Trust has no liability beyond making its contributions and paying across the deductions for the employee's contributions. A similar defined contribution scheme is operated by the subsidiary company, The Groundwork South Trust Ltd.

o) Debtors

Trade and other debtors are recognised at the settlement amount due. No discounts are offered. Prepayments are valued at the amount prepaid

p) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

q) Investment policy

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust aims to have a portfolio of Financial Investments consistent with a "Balanced Portfolio" profile of risk, return, and liquidity, as identified in an externally conducted assessment of attitude to risk of the trustees when investing the Trust's assets. In order to achieve this it will select Investment Managers which are able to make informed and timely asset allocation decisions consistent with the objectives of this Investment Policy and which may include Government and Corporate Bonds (UK and Overseas), UK and overseas Equities, Property, Gold and other commodities (excluding coal) and cash.

The Trust aims to utilise returns from financial investments for its day to day operations.

The Trust wishes to keep at least 40% of total assets in investments which can be realised within three months.

A minimum of 10% of total assets should be capable of being liquidated within 7 working days.

The Trust will not invest directly in any organisation whose main business activity is:

- The production of tobacco or narcotics
- The production of pornographic material
- The manufacture of weapons of war
- Encouraging or enabling gambling
- Providing Home Credit (Doorstep Lending)
- Using child labour or other exploitative employment practices

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

r) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts available.

s) Government Grants

Government grants are recognised when the entity has reasonable assurance that conditions attached to the grant will be complied with and that the grant will be received.

Revenue grants are recognised using the accrual model and are therefore recognised as income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. Revenue grants are measured at fair value, being the amount of cash receivable.

2. LEGAL STATUS

Groundwork London is a company limited by guarantee and has no share capital. The registered office and principal place of business is 18-21 Morley Street, London, SE1 7QZ. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

3. INVESTMENT INCOME

	Charity	
	31.3.22	31.3.21
	£	£
Rents received	325,167	258,993
Bank and investment interest	108,045	94,748
	<u>433,212</u>	<u>353,741</u>

	Group	
	31.3.22	31.3.21
	£	£
Rents received	325,167	258,993
Bank and investment interest	99,957	89,202
	<u>425,124</u>	<u>348,195</u>

Investment income includes income received for the leasing out of business units at Artichoke Mews, a public house adjacent to Denmark Hill railway station, income received for leasing out space at Morley Street and Lower Clapton Road, deposit interest received, income from Trust current investments and interest on loans from group undertakings.

4. INCOME FROM CHARITABLE ACTIVITIES

	Charity			
Income was received for:	Unrestricted funds	Restricted funds	31.3.22	31.3.21
	£	£	£	£
Communities and Environmental Service	5,102,397	1,772,103	6,874,500	6,025,524
Landscape Design Services	1,761,332	71,682	1,833,014	2,084,379
Youth, Employment & Skills Training	3,139,069	4,558,146	7,697,215	5,065,004
Strategic Partnerships & Programmes	495,427	5,677,555	6,172,982	3,539,007
	<u>10,498,225</u>	<u>12,079,486</u>	<u>22,577,711</u>	<u>16,713,914</u>

In 2022 the income from charitable activities was £22,577,711 (2021: £16,713,914) of which £10,498,225 (2021: £12,644,451) was income from unrestricted funds and £12,079,486 (2021: £4,069,463) was income from restricted funds.

4. INCOME FROM CHARITABLE ACTIVITIES (cont'd)

Income was received for:			Group	
	Unrestricted funds	Restricted funds	31.3.22	31.3.21
	£	£	£	£
Communities and Environmental Service	7,045,531	3,089,923	10,135,454	7,796,942
Landscape Design Services	2,210,274	1,092,438	3,302,712	2,777,975
Youth, Employment & Skills Training	3,213,703	4,924,351	8,138,054	6,534,730
Strategic Partnerships & Programmes	494,009	5,677,555	6,171,564	3,503,007
	<u>12,963,517</u>	<u>14,787,267</u>	<u>27,747,784</u>	<u>20,612,654</u>

In 2022 the income from charitable activities was £27,747,784 (2021: £20,612,654) of which £12,963,517 (2021: £13,907,359) was income from unrestricted funds and £14,787,267 (2021: £6,705,295) was income from restricted funds.

Income was provided by:	Charity	
	31.3.22	31.3.21
	£	£
Local Authorities	2,835,317	3,272,401
Public and Regional Agencies	10,906,109	4,788,332
European Union	2,184,441	1,543,464
Private Sector	5,716,389	6,325,073
National Lottery	935,455	784,644
	<u>22,577,711</u>	<u>16,713,914</u>
	Group	
	31.3.22	31.3.21
	£	£
Local Authorities	4,538,825	4,322,878
Public and Regional Agencies	11,506,701	5,163,218
European Union	1,771,009	1,543,464
Private Sector	8,417,357	7,784,753
National Lottery	1,513,892	1,798,341
	<u>27,747,784</u>	<u>20,612,654</u>

Income arose from:	Charity	
	31.3.22	31.3.21
	£	£
Sale of goods	461,407	329,772
Rendering of services	9,524,755	11,218,001
Grants	12,166,758	3,626,986
Government grants – employment programmes	424,791	1,539,155
	<u>22,577,711</u>	<u>16,713,914</u>
	Group	
	31.3.22	31.3.21
	£	£
Sale of goods	461,407	329,772
Rendering of services	14,694,828	15,102,118
Grants	12,166,758	3,641,609
Government grants – employment programmes	424,791	1,539,155
	<u>27,747,784</u>	<u>20,612,654</u>

5. COSTS OF RAISING FUNDS

	Charity and Group	
	31.3.22	31.3.21
	£	£
Other operating leases	73,443	80,709
Administrative expenses	217,219	165,856
	<u>290,662</u>	<u>246,565</u>

Administrative costs relate to the management of business units at Artichoke Mews and a public house adjacent to Denmark Hill railway station, offices at Morley Street and rental space at Lower Clapton Road.

6. CHARITABLE ACTIVITIES COSTS

	Direct costs	Governance and support costs (see note 7)	31.3.22	Charity 31.3.21
	£	£	£	£
Communities and Environmental Services	6,922,668	439,003	7,361,671	7,200,516
Landscape Design Services	1,883,667	119,871	2,003,538	1,349,809
Youth, Employment & Skills Training	6,849,435	834,003	7,683,438	4,887,853
Strategic Partnerships & Programmes	<u>5,187,952</u>	<u>277,838</u>	<u>5,465,788</u>	<u>3,302,336</u>
	<u>20,843,722</u>	<u>1,670,713</u>	<u>22,514,435</u>	<u>16,740,514</u>

In 2022 the expenditure on charitable activities was £22,514,435 (2021: £16,740,514) of which £10,431,995 (2021: £12,699,908) was expenditure from unrestricted funds and £12,082,440 (2021: £4,040,606) was expenditure from restricted funds.

	Direct costs	Governance and support costs (see note 7)	31.3.22	Group 31.3.21
	£	£	£	£
Communities and Environmental Services	9,473,672	710,664	10,184,336	9,090,630
Landscape Design Services	3,304,657	226,661	3,531,318	2,863,544
Youth, Employment & Skills Training	7,399,619	904,871	8,304,490	5,368,246
Strategic Partnerships & Programmes	<u>5,186,534</u>	<u>277,836</u>	<u>5,464,370</u>	<u>3,302,336</u>
	<u>25,364,482</u>	<u>2,120,032</u>	<u>27,484,514</u>	<u>20,624,756</u>

In 2022 the expenditure on charitable activities was £27,484,514 (2021: £20,624,756) of which £12,787,930 (2021: £14,044,656) was expenditure from unrestricted funds and £14,696,584 (2021: £6,580,100) was expenditure from restricted funds.

7. GOVERNANCE AND SUPPORT COSTS

The Trust identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs, together with the governance costs are apportioned between the thematic programme areas in the year. The costs are allocated by staff time. The breakdown of costs are as follows:

Cost type				Charity
	Support costs	Governance costs	Total 2022	Total 2022
	£	£	£	£
Staff costs	863,945	24,398	888,343	882,497
Office and other costs	755,304	27,066	782,370	692,837
Total costs	<u>1,619,249</u>	<u>51,464</u>	<u>1,670,713</u>	<u>1,575,334</u>

Cost type				Group
	Support costs	Governance costs	Total 2022	Total 2022
	£	£	£	£
Staff costs	1,038,849	24,398	1,063,247	1,047,831
Office and other costs	1,022,219	34,566	1,056,785	1,040,015
Total costs	<u>2,061,068</u>	<u>58,964</u>	<u>2,120,032</u>	<u>2,087,846</u>

8. GOVERNANCE COSTS

	Group	
	31.3.22	31.3.21
	£	£
Staff costs	24,398	23,698
Legal fees	12,066	20,082
Auditor's remuneration	22,500	22,500
Total costs	<u>58,964</u>	<u>66,280</u>

9. NET INCOMING/ (OUTGOING) RESOURCES

Net resources are stated after charging

	Charity	
	31.3.22	31.3.21
	£	£
Auditors' remuneration – audit services	15,000	15,000
Depreciation – owned assets	104,611	111,343
Operating lease payments	138,210	151,970
Government grants	<u>39,110</u>	<u>543,467</u>

	Group	
	31.3.22	31.3.21
	£	£
Auditors' remuneration – Groundwork London	15,000	15,000
Auditor's remuneration – Groundwork South	7,500	7,500
Depreciation – owned assets	120,942	150,466
Amortisation of intangible fixed assets	-	13,889
Operating lease payments	221,710	235,983
Government grants	<u>94,054</u>	<u>1,064,468</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

No payments or remuneration were made to the Trustees during this year or the previous year. Reimbursement of trustee expenses incurred was £nil (2021: £nil).

11. STAFF COSTS

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

	Charity	
	31.3.22	31.3.21
Direct charitable	288	246
Fundraising	7	7
Governance	2	2
	<u>297</u>	<u>255</u>

	Group	
	31.3.22	31.3.21
Direct charitable	400	362
Fundraising	7	7
Governance	2	2
	<u>409</u>	<u>371</u>

Staff costs were as follows

	Charity	
	31.3.22	31.3.21
	£	£
Wages and salaries	8,577,444	7,211,711
Social security costs	765,420	635,202
Pension costs	641,581	566,669
	<u>9,984,445</u>	<u>8,413,582</u>

	Group	
	31.3.22	31.3.21
	£	£
Wages and salaries	11,377,353	9,727,204
Social security costs	958,371	801,228
Pension costs	819,407	808,432
	<u>13,155,131</u>	<u>11,336,864</u>

The company operated a defined contribution pension scheme. The assets of the scheme were held separately from those of the company in an independently administered fund. Contributions payable for the year were charged to the Statement of Financial Activities.

	Charity	
	31.3.22	31.3.21
	£	£
Amount of outstanding pension contributions	<u>3,498</u>	<u>3,040</u>

	Group	
	31.3.22	31.3.21
	£	£
Amount of outstanding pension contributions	<u>24,498</u>	<u>27,794</u>

11. STAFF COSTS – cont'd

Number of employees whose emoluments (excluding pension contributions) exceeded £60,000 in the year:

		Charity and Group
	31.3.22	31.3.21
£60,000 - £69,999	-	1
£70,000 - £79,999	1	1
£80,000 - £89,999	3	3
£90,000 - £99,999	1	-
	<u>5</u>	<u>5</u>

The total employer's contributions paid to defined contribution schemes for the above higher paid employees was £29,809 (2021 - £27,775). The key management personnel of the charity, the Trust, comprise the Executive Director, Director Finance & Corporate Services, Director Youth, Employment & Skills Training and Director Communities & Environmental Services. The total employee benefits of the key management personnel of the Trust were £529,608 (2021 £497,670).

12. TANGIBLE FIXED ASSETS – Group

	Freehold land and buildings £	Building improve- ments £	Fixtures and fittings £	Computer Equip't £	Motor vehicles £	Floating Classroom £
COST						
At 1 st April 2021	2,603,300	78,334	298,578	201,063	2,706	88,350
Additions	-	20,932	-	-	-	-
Disposals	-	-	-	-	-	-
At 31st March 2022	<u>2,603,300</u>	<u>99,266</u>	<u>298,578</u>	<u>201,063</u>	<u>2,706</u>	<u>88,350</u>
DEPRECIATION						
At 1 st April 2021	493,293	56,689	182,899	138,678	2,706	18,600
Disposals	-	-	-	-	-	-
Charge for year	<u>23,400</u>	<u>15,193</u>	<u>45,945</u>	<u>31,754</u>	<u>-</u>	<u>4,650</u>
At 31st March 2022	<u>516,639</u>	<u>71,802</u>	<u>228,924</u>	<u>170,432</u>	<u>2,706</u>	<u>23,250</u>
NET BOOK VALUE						
At 31st March 2022	<u>2,086,661</u>	<u>27,464</u>	<u>69,654</u>	<u>30,631</u>	<u>-</u>	<u>65,100</u>
At 31 st March 2021	<u>2,110,061</u>	<u>21,645</u>	<u>115,679</u>	<u>62,385</u>	<u>-</u>	<u>69,750</u>

12. TANGIBLE FIXED ASSETS – Group

	Total Tangible Fixed Assets £
Cost	
At 1 April 2021	3,272,331
Additions	20,932
Disposals	-
At 31 March 2022	<u>3,293,263</u>
Depreciation	
At 1 April 2021	892,811
Disposals	-
Charge for year	120,942
At 31 March 2022	<u>1,013,753</u>
Net Book Value	
At 31 March 2022	<u>2,279,510</u>
At 31 March 2021	<u>2,379,520</u>

12. TANGIBLE FIXED ASSETS – Charity

	Freehold land and buildings £	Building improve- ments £	Fixtures and fittings £	Computer Equip't £	Motor vehicles £	Total £
COST						
At 1 st April 2021	1,620,000	78,334	228,240	182,437	-	2,109,011
Additions	-	20,932	-	-	-	20,932
Disposals	-	-	-	-	-	-
At 31 st March 2022	<u>1,620,000</u>	<u>99,266</u>	<u>228,240</u>	<u>182,437</u>	<u>-</u>	<u>2,129,943</u>
DEPRECIATION						
At 1 st April 2021	459,639	56,609	119,821	120,304	-	756,373
Disposals	-	-	-	-	-	-
Charge for year	15,000	15,193	42,916	31,502	-	104,611
At 31 st March 2022	<u>474,639</u>	<u>71,802</u>	<u>162,737</u>	<u>151,806</u>	<u>-</u>	<u>860,984</u>
NET BOOK VALUE						
At 31 st March 2022	<u>1,145,361</u>	<u>27,464</u>	<u>65,503</u>	<u>30,631</u>	<u>-</u>	<u>1,268,959</u>
At 31 st March 2021	<u>1,160,361</u>	<u>21,725</u>	<u>108,419</u>	<u>62,133</u>	<u>-</u>	<u>1,352,638</u>

13. INTANGIBLE FIXED ASSETS – Group

	Software £
Cost	
At 1 April 2021	49,720
Subsidiary intangible assets at fair value	-
Disposals	-
At 31 March 2022	<u>49,720</u>
Depreciation	
At 1 April 2021	49,720
Disposals	-
Charge for year	-
At 31 March 2022	<u>-</u>
Net Book Value	
At 31 March 2022	<u>-</u>
At 31 March 2021	<u>-</u>

14. INVESTMENT PROPERTIES

	Group and charity			
	Freehold property	Short leasehold £	Long leasehold £	Total £
Fair Value at 1 st April 2021	2,250,000	62,047	1,250,000	3,562,047
Net loss on revaluation	-	(19,717)	-	(19,717)
Fair Value at 31st March 2022	<u>2,250,000</u>	<u>42,330</u>	<u>1,250,000</u>	<u>3,542,330</u>

Groundwork London operates out of a 21 Morley Street. This property is also used for investment income. It was determined during the 2019/20 year that 50% of the property should be treated as an investment property in accordance with SORP FRS 102. An external valuation of £1,875,000 from 2016 was assigned to the investment element of this property. The investment element of the property has been subsequently revalued at 31st March 2021 by Avison Young, Chartered Surveyors, with a valuation of £2.25m. In the opinion of the Trustees there have been no changes in valuation since that date.

The short and long leasehold investment properties are held in the UK. The historical cost of the properties is £373,000. Artichoke Mews was revalued for a sum of £1.25m on 31st March 2021 by Avison Young, Chartered Surveyors, on an open market value in accordance with the guidelines issued by the Royal Institute of Chartered Surveyors. In the opinion of the Trustees there have been no changes in valuation since that date.

The above represents investment at fair value in the following properties which were transferred from Groundwork Southwark and Lambeth on 1 November 2007 as follows:

Artichoke Mews (125 year lease from 1 July 1990) - £1.25m. Historical cost £183,000.

Denmark Hill (41 year lease from 5 June 1983) - £42,330. Historical cost £190,000.

15. SUBSIDIARY COMPANIES

	31.3.22 £	Charity 31.3.21 £
Shares in Group Undertakings	2	2

15. SUBSIDIARY COMPANIES -cont'd

The charity holds 100% of the issued ordinary share capital of Groundwork Environmental Services (West London) Limited (company number 03810135) and Groundwork Environmental Services (East London) Limited (company number 04308777). Both companies are incorporated in England and Wales. Both companies were dormant during the year.

On 14th March 2017 Groundwork London became the sole member of The Groundwork South Trust Ltd, a company registered in England and Wales (registered co number 01982077, registered charity no. 293705) for no consideration and the Group has consolidated its accounts from that date.

The separate accounts for The Groundwork South Trust Limited show the following for the year ended 31 March 2021.

	31.3.22	31.3.21
	£	£
Total income for the year	6,600,345	4,707,895
Total expenditure for the year	6,408,439	4,698,943
Total surplus / deficit for the year	191,906	8,952
Aggregate amount of assets	3,041,127	1,769,934
Aggregate amount of liabilities	3,324,906	2,245,619
Aggregate deficit on unrestricted funds	(283,779)	(475,685)

16. NON CURRENT ASSETS

	Charity
	31.3.22
	£
Loans to subsidiary undertakings	-
	15,948
	-
	15,948

Loans to The Groundwork South Trust Ltd are not expected to be repaid within one year. Interest is charged to subsidiary undertakings at 2.85% above the Bank of England base rate, monthly in arrears. The freehold property of the charity has been pledged as security on these funds.

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	31.3.22	31.3.21	31.3.22	31.3.21
			£	£
Trade debtors	4,293,772	3,708,870	4,093,558	3,507,315
Prepayments and accrued income	1,761,740	1,507,900	1,548,639	1,617,363
Other debtors	3,636	3,631	3,636	1,015
	<u>6,059,148</u>	<u>5,220,401</u>	<u>5,645,833</u>	<u>5,125,693</u>

18. CURRENT ASSETS INVESTMENTS

	Group and Charity	
	31.3.22	31.3.21
	£	£
Quoted market price at start of year	2,813,193	2,742,780
Additions in year at cost	-	-
Disposals in year	-	(270,783)
Net (losses) / gains on cash investments	<u>305,939</u>	<u>341,196</u>
Quoted market price at year end	<u>3,119,132</u>	<u>2,813,193</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	31.3.22	31.3.21	31.3.22	31.3.21
			£	£
Trade Creditors	1,454,456	555,487	1,225,266	606,825
Taxation and social security	783,349	1,080,615	708,294	976,447
Deferred income	6,573,371	6,604,389	4,485,098	4,841,717
Other creditors	487,135	113,705	301,420	100,947
	<u>9,298,310</u>	<u>8,354,196</u>	<u>6,720,078</u>	<u>6,525,936</u>

20. DEFERRED INCOME

Movements in group deferred income during the year were as follows:

	Balance at 31.3.21	Amount release to incoming resources	Amount deferred in the year	Group Balance at 31.3.22
	£		£	£
Income from charitable activities	<u>6,604,389</u>	<u>6,604,389</u>	<u>6,573,371</u>	<u>6,573,371</u>

Net incoming group resources as shown in the Statement of Financial Activities result from the following:

	Income received	Transferred from deferred income	Group Net income
	£	£	£
Income from charitable activities	<u>34,746,279</u>	<u>(6,573,371)</u>	<u>28,172,908</u>

Movements in group deferred income during the year ended at 31st March 2021 were as follows:

	Balance at 31.3.20	Amount release to incoming resources	Amount deferred in the year	Group Balance at 31.3.21
	£		£	£
Income from charitable activities	<u>5,777,392</u>	<u>5,777,392</u>	<u>6,604,389</u>	<u>6,604,389</u>

Net incoming group resources as shown in the Statement of Financial Activities result from the following:

	Income received	Transferred from deferred income	Group Net income
	£	£	£
Income from charitable activities	<u>27,217,043</u>	<u>(6,604,389)</u>	<u>20,612,654</u>

Movements in charity deferred income during the year were as follows:

	Balance at 31.3.21	Amount release to incoming resources	Amount deferred in the year	Charity Balance at 31.3.22
	£		£	£
Income from charitable activities	4,841,717	(4,841,717)	4,485,098	4,485,098

Net incoming charity resources as shown in the Statement of Financial Activities result from the following:

	Income received	Transferred to deferred income	Charity Net income
	£	£	£
Income from charitable activities	27,496,021	(4,485,098)	23,010,923

Movements in charity deferred income during the year ended at 31st March 2021 were as follows:

	Balance at 1 April 2020	Amount release to incoming resources	Amount deferred in the year	Charity Balance at 31 March 2021
	£		£	£
Income from charitable activities	4,488,654	4,488,654	4,841,717	4,841,717

Net incoming charity resources as shown in the Statement of Financial Activities result from the following:

	Income received	Transferred from deferred income	Charity Net income
	£	£	£
Income from charitable activities	21,555,631	(4,841,717)	16,713,914

21. COMMITMENTS UNDER OPERATING LEASES

Future minimum lease payments under non-cancellable operating leases for each of the following periods:

	Group 31.3.22	Group 31.3.21	Charity 31.3.22	Charity 31.3.21
	£	£	£	£
Not later than one year	219,026	193,591	135,258	114,769
Later than one year and not later than five years	498,627	480,042	291,982	218,182
Later than five years	-	-	-	-

Future minimum lease receipts under non-cancellable operating leases for each of the following periods:

	Group and Charity	
	31.3.22	31.3.21
	£	£
Not later than one year	195,906	264,464
Later than one year and not later than five years	153,201	348,257
Later than five years	-	-

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS – Group

	Unrestricted funds	Restricted funds	31.3.22 Total funds
	£	£	£
Fixed assets	2,279,510	-	2,279,510
Investment Properties	2,250,000	1,292,330	3,542,330
Current assets	14,858,887	469,775	15,328,662
Current liabilities	(9,073,534)	(224,776)	(9,298,310)
	<u>10,314,863</u>	<u>1,537,329</u>	<u>11,852,192</u>

	Unrestricted funds	Restricted funds	31.3.21 Total funds
	£	£	£
Fixed assets	2,379,520	-	2,379,520
Investment Properties	2,250,000	1,312,047	3,562,047
Current assets	12,931,275	649,592	13,580,867
Current liabilities	(7,954,603)	(399,593)	(8,355,196)
	<u>9,606,192</u>	<u>1,562,046</u>	<u>11,168,238</u>

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS – Charity

	Unrestricted funds	Restricted funds	31.3.22 Total funds
	£	£	£
Fixed assets	1,268,959	-	1,268,959
Non-current assets	-	-	-
Investment Properties	2,250,000	1,292,230	3,542,330
Current assets	13,574,985	469,775	14,044,760
Current liabilities	(6,495,302)	(224,776)	(6,720,078)
	<u>10,598,642</u>	<u>1,537,329</u>	<u>12,135,971</u>

	Unrestricted funds	Restricted funds	31.3.21 Total funds
	£	£	£
Fixed assets	v	-	1,351,219
Non-current assets	351,157	14,791	365,948
Investment Properties	1,875,000	891,764	2,766,764
Current assets	12,086,445	509,100	12,595,545
Current liabilities	(6,383,716)	(268,892)	(6,652,608)
	<u>9,280,105</u>	<u>1,146,763</u>	<u>10,426,868</u>

23. THE FUNDS OF THE GROUP - 2022

	Brought forward 1.4.21	Incoming Resources	Resources Expended	Net gains / (losses) on invest- ments	Transfers In / (Out)	Carried Forward 31.3.22
Unrestricted Funds						
General funds	6,098,323	10,931,437	(10,722,657)	-	12,046	6,319,149
Groundwork South	(475,685)	3,430,911	(3,329,642)	-	90,637	(283,779)
Inter Group trans.	-	(973,707)	973,707	-	-	-
Total General funds	5,622,638	13,388,641	(13,078,592)	-	102,683	6,035,370
Designated funds	2,145,361	-	-	-	(10,000)	2,135,361
Fair value reserve	1,838,193	-	-	305,939	-	2,144,132
Total Unrestricted Funds	9,606,192	13,388,641	(13,078,592)	305,939	92,683	10,314,863
Restricted Funds						
Revaluation fund	1,079,823	-	-	(19,717)	-	1,060,106
Property fund	482,223	-	-	-	(5,000)	477,223
Programme funds	-	12,079,486	(12,082,440)	-	2,954	-
Groundwork South	-	3,169,434	(3,078,797)	-	(90,637)	-
Inter Group trans	-	(464,653)	464,653	-	-	-
Total Restricted Funds	1,562,046	14,784,267	(14,696,584)	(19,717)	(92,683)	1,537,329
Total Funds	11,168,238	28,172,908	(27,775,176)	286,222	-	11,852,192

23. THE FUNDS OF THE GROUP – 2021

	Brought forward 1.4.20	Incoming Resources	Resources Expended	Net gains / (losses) on invest- ments	Transfers In / (Out)	Carried Forward 31.3.21
Unrestricted Funds						
General funds	6,116,964	12,998,192	(12,946,473)	341,196	(411,556)	6,098,323
Groundwork South	(484,637)	2,072,063	(2,159,449)	-	96,338	(475,685)
Inter Group trans.	-	(814,701)	814,701	-	-	-
Total General funds	5,632,327	14,255,554	(14,291,221)	341,196	(315,218)	5,622,638
Designated funds	2,145,361	-	-	-	-	2,145,361
Fair value reserve	1,017,780	-	-	375,000	445,413	1,838,193
Total Unrestricted Funds	8,795,468	14,255,554	(14,291,221)	716,196	130,195	9,606,192
Restricted Funds						
Revaluation fund	659,540	-	-	420,283	-	1,079,823
Property fund	487,223	-	(5,000)	-	-	482,223
Programme funds	-	4,069,463	(4,035,606)	-	(33,857)	-
Groundwork South	-	2,635,832	(2,539,494)	-	(96,338)	-
Total Restricted Funds	1,146,763	6,705,295	(6,580,100)	420,283	(130,195)	1,562,046
Total Funds	9,942,231	20,960,849	(20,871,321)	1,136,479	-	11,168,238

THE FUNDS OF THE CHARITY -2022

	Brought forward at 1.4.21	Incoming Resources	Resources Expended	Net gains / (losses) on investments	Transfers In / (Out)	Carried Forward at 31.3.22
	£	£	£	£	£	£
Unrestricted Funds						
General funds	6,098,323	10,931,437	(10,722,657)	-	12,046	6,319,149
Designated funds	2,145,361	-	-	-	(10,000)	2,135,361
Fair value reserve	1,838,193	-	-	305,939	-	2,144,132
Total Unrestricted Funds	10,081,877	10,931,437	(10,722,657)	305,939	2,046	10,598,642
Restricted Funds						
Revaluation fund	1,079,823	-	-	(19,717)	-	1,060,106
Property fund	482,223	-	-	-	(5,000)	477,223
Programme funds	-	12,079,486	(12,082,440)	-	2,954	-
Total Restricted Funds	1,562,046	12,079,486	(12,082,440)	(19,717)	(2,046)	1,537,329
Total Funds	11,643,923	23,010,923	(22,805,097)	286,222	-	12,135,971

THE FUNDS OF THE CHARITY -2021

	Brought forward at 1.4.20	Incoming Resources	Resources Expended	Net gains / (losses) on investments	Transfers In / (Out)	Carried Forward at 31.3.21
	£	£	£	£	£	£
Unrestricted Funds						
General funds	6,116,964	12,998,192	(12,946,473)	341,196	(411,556)	6,098,323
Designated funds	2,145,361	-	-	-	-	2,145,361
Fair value reserve	1,017,780	-	-	375,000	445,413	1,838,193
Total Unrestricted Funds	9,280,105	12,998,192	(12,946,473)	716,196	33,857	10,081,877
Restricted Funds						
Revaluation fund	659,540	-	-	420,283	-	1,079,823
Property fund	487,223	-	(5,000)	-	-	482,223
Programme funds	-	4,069,463	(4,035,606)	-	(33,857)	-
Total Restricted Funds	1,146,763	4,069,463	(4,040,606)	420,283	(33,857)	1,562,046
Total Funds	10,426,868	17,067,655	(16,987,079)	1,136,479	-	11,643,923

24. THE FUNDS OF THE CHARITY

Unrestricted Funds

General Funds

Funds available are sufficient to permit the company to continue in operation in the short term given the continued support of the funders. Should this support not continue in the longer term, further financial support would need to be sought to replace it. Where funds which are regarded as restricted are awarded based on outputs rather than actual costs any funds not applied against directly identified costs are transferred at the year end to unrestricted funds to cover overhead costs not directly recharged. Income that has not been fully delivered or earned is deferred.

Designated Funds

The Designated Fund represents funds transferred from the general fund for the purpose of Groundwork London development. This includes the cost of the Morley Street property less the property depreciation charges.

Fair Value Reserve

The Fair Value Reserve is a reserve for the unrealised gains and losses on the charity's unrestricted fixed asset investments and investment property revaluations.

Groundwork South

These financial statements include the results of The Groundwork South Trust Ltd (registered co number 01982077, registered charity no. 293705) following Groundwork London becoming sole company member on 14th March 2017. The funds held in the group accounts represent the general funds of The Groundwork South Trust Ltd at 31st March 2022. Funds are transferred from unrestricted to restricted at the year-end on the basis that no restrictions exist on the income and expenditure recognised.

Restricted Funds

Revaluation Fund

A revaluation fund is required by the Companies Act 2006 where investment properties are revalued subsequent to their acquisition, or in the case of assets held prior to the mergers, transfer to the control of Groundwork London. The balance shown on the revaluation reserve in the accounts, represents the difference between the revaluation of the investment in the Denmark Hill property (in 2003) and its original cost.

Property Fund

The investment property fund represents the valuation of the properties. The properties are the public house at Denmark Hill Station, the workshops and flats at Artichoke Mews and the property at Lower Clapton Road.

The properties at Denmark Hill and Artichoke Mews are intended to be set aside so that the returns are used for the day to day expenses of the charity in relation to projects undertaken within the London Borough of Southwark. The property at Lower Clapton Road is a freehold property transferred from Groundwork East London. The trustees have set aside an amount equivalent to the value of the investment properties as designated funds. The revaluation surplus following the most recent valuation of the properties for Denmark Hill is held in a separate Revaluation Fund.

The investment income less the investment management costs are allocated to a "Property" restricted fund.

Programme Funds

Grants, which are received for specific programmes (Communities & Young People, Urban Landscapes and Open Space, Employment & Skills Training and Environmental Services), are accounted for as restricted funds. The balances on restricted funds arise from grants received for these programmes on which some expenditure is still to be incurred in the coming financial year. Where funds which are regarded as restricted are awarded based on outputs rather than actual costs, any funds not applied against directly identified costs are transferred at the year end to unrestricted funds to cover overhead costs not directly recharged. There were no restricted balances on these grant funded programmes at 31st March 2022.

Groundwork South

Income which is received for specific programmes (Greener Living and Working, Youth and Employment, Parks and Open Spaces) are accounted for as restricted funds. These financial statements include the results for the year of The Groundwork South Trust Ltd (registered co number 01982077, registered charity no. 293705) following Groundwork London becoming sole company member on 14th March 2017. The balance of funds in the group accounts at 31st March 2022 represent the total funds held by The Groundwork South Trust Ltd at this date.

25. RECONCILIATION OF CONSOLIDATED NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group		Charity
	31.3.22	31.3.21	31.3.21
	£	£	
Net movement in funds	683,954	1,226,007	492,048
Investment income	(425,124)	(353,741)	(433,212)
Depreciation	120,942	139,250	104,611
Decrease/(Increase) in debtors	(838,747)	2,553,934	(520,140)
Net loss/ (gains) on cash investments	(286,222)	(1,136,480)	(286,222)
(Decrease)/ Increase in creditors	944,114	183,728	194,142
Cash flows from operating activities	198,917	2,612,698	(448,773)

26. Analysis of changes in net debt

	Group		
	31.3.21	Cash flows	Other Non- Cash change
	£	£	£
Cash and Cash equivalents			
Cash	5,547,273	603,109	-
Overdrafts	-	-	-
Cash equivalents	-	-	-
	<u>5,547,273</u>	<u></u>	<u>6,150,382</u>
Borrowings			
Debt due within 1 year	-	-	-
Debt due after 1 year	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>5,547,273</u>	<u>603,109</u>	<u>-</u>

	Charity		
	31.3.21	Cash flows	Other Non- Cash change
	£	£	£
Cash and Cash equivalents			
Cash	5,300,340	(20,545)	-
Overdrafts	-	-	-
Cash equivalents	-	-	-
	<u>5,300,340</u>	<u>(20,545)</u>	<u>-</u>

26. Analysis of changes in net debt – cont'd

	At 31.3.21	Cash flows	Other Non-Cash change	At 31.3.22
	£	£	£	£
Borrowings				
Debt due within 1 year	-	-	-	-
Debt due after 1 year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	5,300,340	(20,545)	-	5,279,795

27. FINANCIAL INSTRUMENTS

	Charity	
	31.3.22	31.3.21
	£	£
Financial Assets		
Financial assets measured at fair value through income and expenditure	3,119,132	2,813,193
Financial assets that are debt instruments measured at amortised cost	9,376,989	8,808,670
	<u>12,496,121</u>	<u>11,621,863</u>
Financial Liabilities		
Financial liabilities measured at amortised cost	(2,234,980)	(1,684,219)
	<u>10,261,141</u>	<u>9,937,644</u>
	Group	
	31.3.22	31.3.21
	£	£
Financial Assets		
Financial assets measured at fair value through income and expenditure	3,119,132	2,813,193
Financial assets that are debt instruments measured at amortised cost	10,447,790	9,259,774
	<u>13,566,922</u>	<u>12,072,967</u>
Financial Liabilities		
Financial liabilities measured at amortised cost	(2,724,939)	(2,223,771)
	<u>10,841,983</u>	<u>9,849,226</u>

Financial assets measured at fair value through income and expenditure comprise fixed asset investments in UK listed investments.

Financial assets measured at amortised cost comprise all cash and cash equivalent balances and debtor balances, excluding prepayments and accrued income.

Financial liabilities measured at amortised cost comprise all creditor balances except deferred income.

28. CAPITAL COMMITMENTS

At 31st March 2022 there were no capital commitments or contingent liabilities for Groundwork London.

29. RELATED PARTY TRANSACTIONS

Transactions between the charity and its wholly controlled subsidiary are not disclosed, as permitted by the exemptions set out in Section 33.1A of FRS 102 (Related Party Disclosures).

30. ACKNOWLEDGEMENTS

Groundwork London thanks all its supporters. We have been asked specifically to acknowledge the support of the following funders

Source	Project
BIG Lottery	BBO ILM North
BIG Lottery	BBO ILM South
BIG Lottery	BBO Coast to Capital

Accounts

Annual Report and Financial Statements 2020/21

Groundwork London

(A company limited by guarantee)

18 – 21 Morley Street

London

SE1 7QZ

Registered Charity No. 1121105

Registered Company No. 04212532 (England and Wales)

Contents

	Page
Report of the Trustees	3
Chair's Report	4
About Groundwork	5
Objectives and Activities	6
Public Benefit Statement	6
Strategic Report	8
Achievements and Performance	8
Financial Review	13
Future Plans 2020/21	14
Principal Risks and Uncertainties	17
Reference and Administrative Details	19
Structure, Governance and Management	20
Statement of Trustees' Responsibilities	23
Independent Auditors' Report	24
Consolidated Statement of Financial Activities	28
Charity Statement of Financial Activities	29
Consolidated Balance Sheet	30
Charity Balance Sheet	31
Consolidated Cash Flow Statement	32
Charity Cash Flow Statement	33
Notes to the Financial Statements	34-54

Report of the Trustees for the year ending 31 March 2021

The trustees are pleased to present their annual directors' report together with the consolidated financial statements of the charitable company and its subsidiaries for the year ending 31 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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).

Groundwork London's operational focus is primarily on London; the City of London and the 32 London Boroughs. Groundwork London is also the sole company member of Groundwork South whose operational focus is on the South East and South West regions of England, and that part of the District of Three Rivers within the Colne Valley Regional Park. Where specialist services are required, these are delivered across both Trust areas by specialist teams.

Both Trusts have a Board of Trustees who are principally responsible for the strategic oversight and governance of Groundwork activities within their operational areas. Each Trust has its own business plan defining the activities it plans to deliver in its area of operation. Each Trust will produce an Annual Report and Financial Statements. This report includes the consolidated financial statements of Groundwork London and its subsidiaries, details of charitable activities within the two operation areas will be described separately within each company's annual report.

Chair's Report

2020/21 will always be the year that saw the beginning of the COVID-19 pandemic, it was also the year the UK left Europe. The long term impacts of these world and life changing events remain unclear.

2020/21 was an extraordinarily challenging year for us all.

Groundwork London works with communities across the capital to transform their lives and the places they live. We are operating in a city facing great social and environmental challenges, which have been further compounded by the impacts of the COVID-19 pandemic.

Over 2 million Londoners are living in deprivation, with many struggling in areas such as unemployment, social stress and inequality, health and wellbeing, food and fuel poverty, environmental quality, and the impacts of a changing climate.

Our work supports these diverse and vulnerable communities to find practical, long-term solutions to many such challenges. Last year we delivered over 490 projects that were tailored to the needs of the communities they served. It's a testament to the people of our city that during such a difficult year we saw tens of thousands of volunteers stepping forward to work alongside us, mutual aid groups rapidly growing in numbers, and the steady rise of the younger generation leaning in and taking the lead in social and climate action.

This is, of course, where the strength of our approach lies: in the relationships we build and maintain. That is why people have, and always will be, at the heart of our work. We would not be able to deliver real and lasting change for London's most disadvantaged communities without the support and commitment of our funders and partners across the public, private, and voluntary sector, and within the communities themselves.

We offer our sincere thanks and appreciation to our staff, trustees, partners, and volunteers for all the hard work and passion they continually give to everything they do. It reminds us that we all share a vision for the future: where every Londoner can thrive and benefit from a greener, safer, healthier, and more equitable city.

We are pleased to present our 20/21 Annual Report, demonstrating the difference we've made to the lives of thousands of Londoners in what was a particularly challenging year for us all. As a member of the Groundwork Federation, we are proud to support our neighbouring Trust Groundwork South as our wholly owned subsidiary. Groundwork South has changed significantly in the last two years to ensure efficient and effective delivery of high quality services across the South East and South West of England, and will present its own Annual Accounts.

Whilst we take this time to reflect on our successes to date, it's important to also look towards the future. We know that the impacts of COVID-19 have been immense and will be felt for many years to come, and that the poorest of our communities will be the most greatly affected.

We will continue to create and deliver services to meet the changing needs of London and its most in need communities, by working to three key strategic objectives:

- **Improving people's prospects** - delivering support to increase the confidence, skills, well-being, and employability of young people and adults.
- **Creating better places** - supporting communities to work together in making their neighbourhoods safer, healthier, greener, and more resilient to climate change; and enabling their active involvement in the decision-making concerning the services in their area.
- **Promoting greener living and working** - helping people, organisations, and businesses to learn more about their environmental impact and how they can behave more sustainably; addressing food and fuel poverty; and improving health and wellbeing.

We thank you all and look forward to working with you.

Alan Smith
Chairman



About Groundwork

Vision

Our vision is of a society of sustainable communities which are vibrant, healthy and safe, which respect the local and global environment and where individuals and enterprise prosper.

Mission

Our mission is to transform lives and places in communities in need.

Our core values:

- **equality and diversity** - valuing differences and treating everybody and all things with respect
- **innovation and learning** - always looking for new and better ways of working
- **subsidiarity** - making decisions at a level as close as possible to the communities we serve
- **integrity and professionalism** - maintaining high personal and professional standards
- **partnership** - working alongside communities, public bodies, higher and further education institutions, private companies and other voluntary sector organisations to deliver maximum benefits to people, places and businesses
- **sustainability** - respecting nature's limits and the needs of future generation

Our Approach

- **We operate within the Federation of Groundwork Trusts** - sharing learning and identifying local opportunities to national programmes, as well as collectively mobilising practical community action to accumulate impact on poverty and environmental issues right across the UK.
- **We work with others** - we collaborate with individuals, communities, Local Authorities, the Mayor of London and other public sector organisations, regional bodies, the private sector and the voluntary/charitable sector to deliver positive change in London.
- **We join things up** - we bring our skills and expertise and forge strong partnerships that enable us to deliver maximum impact for communities and maximum value for money for those who help us do it.
- **We support those in most need** - we provide targeted and inclusive support tailored to address the specific needs of vulnerable, excluded or diverse communities and tackle material hardship by building skills and capacity.
- **We measure our impact** – we focus the time and resources, as well as work with others, to really understand the impact of our work and the social value we are achieving.
- **We innovate** - we pilot and test new solutions and approaches. We embed successful practice in our future work and share our learning with others.

Objectives and Activities

Charitable Objectives

Groundwork London's charitable objectives are set down in its Articles of Association, they include:

- to advance public education in environmental matters and other ways of better conserving, protecting and improving the same wheresoever;
- to advance the education of the public in subjects relating to sustainable development and the protection, enhancement and rehabilitation of the environment and promote study and research in such subjects;
- to promote the efficiency and effectiveness of charities in the direct furtherance of their objects; And within the area defined as London, the South East and South West regions of England, and that part of the District of Three Rivers within the Colne Valley Regional Park;
- to promote the conservation, protection and improvement of the physical and natural environment
- to provide facilities in the interest of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for those living or working in or resorting to the area;
- to promote for the public benefit urban and rural regeneration in areas of social and economic deprivation;
- to promote sustainable development for the benefit of the public;
- to promote the efficiency and effectiveness of the voluntary sector for the benefit of the public by the provision of information, support and advice to local community based groups.

Strategic Objectives

To deliver our charitable objectives we:

- Create and deliver programmes and projects to meet the needs of local communities:
 - Improving people's prospects
 - Promoting greener living and working
 - Creating better places
- Build productive relationships and partnerships, influence and shape policies and share learning
- Maintain a strong, viable business, achieving excellence in service delivery

Public Benefit Statement

All Groundwork London's activities contribute to the achievement of our strategic aims & objectives and are undertaken to further our charitable purposes for the public benefit. Our main activities and who we try to help are described below. We review our aims, objectives and activities each year in the Business Planning process. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are established to help. The review also helps us ensure our aim, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Grant Making Policy

The Trust administers applications for various grants schemes on behalf of partnerships with local authorities and other Public Agencies. The Applications are reviewed against specific criteria and business objectives, which are set out by the grants panels and awarded to constituted groups.

Strategic Report

Working with Groundwork South

Groundwork London is a member of the Groundwork Federation, together we are working locally and nationally to transform lives in the UK's most disadvantaged communities. In 2017 Groundwork London agreed to provide financial support and to become the sole company member of Groundwork South, to enable the Groundwork South Trust to continue to deliver Groundwork services in areas of need.

Groundwork South continues to operate with its own identity, its own geographical focus and with its own Board of trustees as an independent charity and company limited by guarantee. We are proud to support the Trust which has undergone significant change to ensure the effectiveness and efficiency in its operations whilst continuing to deliver high quality services across the South East and South West of England.

In future years, Groundwork South will continue to operate as an independent Trust, and will benefit from both Trusts working together through executive, finance and support services functions. Groundwork South, does not currently deliver all 'Groundwork services' across its area, in future, highly specialised services will be provided with leadership from Groundwork London whilst delivery will continue to be embedded in local areas; and delivered by the Groundwork South team.

Groundwork South has produced its own annual accounts and business plan for 2020/21. Their annual report and accounts demonstrate the considerable contribution the Trust is making to Changing Places and Changing lives in the South East and South West of England.

Financial Review

Groundwork London has determined to voluntarily provide a Statement of Financial Activity for 2020/21, as well as the required consolidated accounts for Groundwork London and Groundwork South (as its wholly owned subsidiary) for the same period.

The consolidated statement of financial activities for Groundwork London and for Groundwork South for the year ended 31st March 2021 shows a total income of £20.960m. The consolidated balance sheet shows total Funds of £11,168m of which £3.707m is designated and restricted reserves.

Groundwork London's subsidiary, Groundwork South, has a deficit at 31 March 2021 of £475,685. Groundwork South made financial losses in the years in and prior to 2018/19. Following a restructure of governance and management in 2018, GWS is now operating at a surplus with £79,537 confirmed in the statutory accounts for the year ending 2019/20 and £8,952 in 2020/21. This has reduced the balance sheet deficit to £475,685. GWS targeted a modest surplus in 20/21 and despite COVID-19 the accounts for the year ending 31 March 2021 show slightly higher than a break even position. GWS is committed to retaining surpluses until GWS has 180 days of unrestricted reserves which we estimate will take 5 years. As explained in the Trustee Report, by virtue of the loans from GWL, GWS continues to operate as a going concern.

The remainder of this Strategic report focuses on Groundwork London.

Related Party Transactions

The Trust is supported by Groundwork UK and the national Federation of Groundwork Trusts and has strong links and collaborative working arrangements with other Trusts within the Federation. Each Trust is an independent charity, but they all share a similar ethos. Each Trust is responsible for its own management and administration, and for developing and delivering projects, that meet its objectives and core purposes.

The SORP determines that a charity is not necessarily related to another charity simply because a particular person happens to be a trustee of both. It will only be related if one charity subordinates its interests to the other charity in any transaction because of this relationship. The Federation of Groundwork Trusts and other Groundwork Trusts are therefore not considered to be related parties under the definition of the therefore not considered to be related parties under the definition of the SORP and the grants made by the Federation to individual Trusts do not require separate disclosure.

Strategic Report

Groundwork London's principal focus is on delivering activity to meet the needs of London and Londoners.

Achievements and Performance

Groundwork was established thirty five years ago at a time of political, social and economic challenge as an experiment to help communities find their own answers to the problems they face. Today we face a myriad of similar, emerging and new challenges where the need for Groundwork services and support is even more critical. 2020/21 will always be the year that saw the world changing events of the COVID-19 pandemic, the impacts of which are hard to predict and for how long will it have influence is unknown. It was also the year the UK left Europe and the impacts of this, either positive or negative are still emerging. 2020/21 was a challenging year for us all.

Yet, in the face of all that, our staff teams have worked relentlessly to deliver much needed services to communities in need. With London's population at 8.9 million and with the number of Londoners living in poverty at around 2.5million, these hugely diverse and vulnerable communities have faced the greatest impact of COVID-19. Last year we responded by delivering almost 500 projects targeting the most disadvantaged, hardest hit communities constantly adapting and amending our ways of working in response to government restrictions and addressing the health & safety needs of our staff team.

Our work was delivered in partnership with Local Authorities, Housing Associations, London regional agencies, the private sector and other voluntary organisations. We have progressed positive working relationships within the London Boroughs of Haringey, Camden, Croydon, Barnet, Brent, Islington, Hammersmith & Fulham, Ealing, Hounslow, Wandsworth, Lambeth, Southwark, Lewisham, Newham, Hackney, Waltham Forest, Enfield, the Royal Boroughs of Kensington & Chelsea, Kingston-Upon-Thames and Greenwich, and the City of Westminster.

We delivered 41 projects involving Housing Association partners last year, reflecting the needs of residents supported by Housing Associations. Our plans to continue building new and strengthening existing relationships with corporate partners, largely through the employee volunteering route, were significantly affected by the COVID-19 lockdown. Our employee volunteering programmes had to be put on hold and as a result our interactions with our corporate partners was limited, other than developing an 'at home' employee engagement substitute by developing the Groundwork eco-challenge – a series of fun and educational environmental tasks that are undertaken whilst employees were working from home.

We continued to build on productive relationships with regional bodies and in particular the Greater London Authority (GLA), delivering 26 programmes involving regional agencies. As part of our strategic work, we continued to serve on the Cross River Partnership Board, the All London Green Grid Steering Group and our Community Interest Company – *Our ParkLife* with Engie, Renaisi and Idverde.

Internally, we delivered a number of business performance and improvement measures. We retained our environmental management standard ISO14001 which we have held since 2008; and maintained our Health & Safety standard CHAS; and Achilles which covers Quality, Health & Safety, Environment and Corporate Social Responsibility. We have also retained our Matrix accreditation in recognition of the advice and guidance we offer our trainees and volunteers; and we have maintained our Volunteer Centre accreditation and Investors in Volunteering accreditation.

With COVID-19 resulting in almost all staff working from home for the majority of the year we needed to develop new ways to connect and engage with each other across the Trust with formal and informal online meetings to enable us to communicate about projects and as a forum to listen to and understand our team and individual colleagues needs. Staff launched a wellbeing notice board featuring resources such as the Groundwork Employee Assistant Programme with helplines, counselling, online resources and contributed articles and photos about their work and interests to our new staff newsletter. Around 40 colleagues put themselves forward to train as Mental Health First Aiders and have now established a mental health first aid network to support both our staff and beneficiaries. We have also provided mental health awareness training to many senior managers and other staff across the Trust with over a 100 completing the course and being issued with resources to use going forward.

In 2020 we embarked on the development of our new Groundwork London 2025 strategy through Trust wide engagement seeking the input, views and ideas from Trustees and our colleagues across the organisation. This process began with our teams sharing the work they deliver through a series of 13 'spotlight' sessions. The spotlight sessions provided deeper insight to our wide ranging services and provided the platform for discussing our strategy for delivering services to Londoners over the next 5 years. The outcome of this work underpins our Business Planning for the next 5 years and is reflected in the future plans section of this report.

It also led to the establishment of 3 Task and Finish groups, focused on 'Recruitment, Training & Development and Induction'. Colleagues from across all teams put themselves forward and came together over a period of 5 months to work on the development of these three areas for the benefit of the whole organisation. With the thread of equity, diversity and inclusion running through the task group thinking, this has led to changes in processes, communications and practices. The work doesn't end there with the groups identifying further actions in particular in relation to the development of staff induction programmes and Training & development and monitoring the success of our recruitment which will be taken forward in 2021/22.

We identified through our EDI monitoring that people with disabilities may be underrepresented (with a large number of staff not declaring a disability). We have responded to this by becoming recognised as Disability Confident Committed, ensuring our recruitment is inclusive and accessible, communicating recruitment aimed at encouraging diversity through targeted advertising and review of job descriptions and criteria, as well as offering interviews to disabled people in line with the disability confident scheme. We are active in providing reasonable adjustments to optimise the potential of both our current staff team and future employees. Through our ACE programme we have also been able to offer work trials within Groundwork London and this has led in a number of cases to longer term paid employment.

From a financial perspective 2020/21 was no less challenging as our staff teams renegotiated and renegotiated again our contracts and output requirements with various funders, this was an ongoing process throughout the year as COVID-19 restrictions changed and changed again. We continued to operate our financial management on the basis of full cost recovery achieving our target staff utilisation rate of 84% and maintaining total indirect staff and overheads at 9% of total income.

We continued to make the most of revenues from property rental income and applying these valuable resources to new programme innovation and development.

We have delivered an incredible range of work during the year despite all the challenges of the pandemic, our achievements described below are a result of exceptional time and effort of our colleagues across the Trust adapting to new ways of working, being innovative and determined to continue to support individuals and communities in need.

Improving people's prospects – *delivering support to increase the confidence, skills, wellbeing and employability of those furthest removed from the labour market, in particular young people.*

We believe that supporting people into long-term, sustainable work brings them the economic and social stability that can be life changing for individuals and is an important factor contributing to strong and thriving communities. This is why we deliver an extensive portfolio of employment and skills programmes in London. Through these programmes we help hundreds of Londoners every year to grow in confidence, gain new skills and take that step into work. We work with young people, people with disabilities or health conditions, refugees, and many other Londoners who are facing barriers to employment.

In partnership with our private and public sector employers we deliver training and pre-employment programmes designed to increase the confidence, skills and overall employability of Londoner facing the greatest barriers to employment.

COVID-19 and the resulting social restrictions have had a significant impact on our employment programmes. Engagement with new clients proved difficult without face to face contact and the majority of our funders adjusted our targets to accept this. There were fewer job vacancies for our existing clients,

many of whom were feeling more vulnerable throughout the lockdowns. Our teams played an invaluable role in sourcing other practical support for them and supporting their wellbeing.

The learning from the innovative online delivery we developed will carry forward into future years. Later in 2020, we became directly involved in new programmes established by the DWP to support those who had lost their jobs through COVID-19: Kickstart, a wage subsidy programme for young people; JET's an advice and guidance programme for recently unemployed adults; and in the final months of the year we were awarded a contract within Restart, the DWP's largest COVID-19 response programme.

Though at a reduced level to the previous years we continued our support for young people not in education, employment or training (NEET); those at risk of becoming NEET; lone parents; the long term unemployed and ex-offenders. Through 2020/21 we continued to deliver several specialist programmes supporting groups of Londoners who are particularly disadvantaged in the labour market. Our ACE programme which provides supported employment for long term unemployed adults with disabilities. We successfully negotiated with the funder to ensure that all our ACE clients could be protected.

In East, Central and West London, our longer running DWP funded programmes continue to provide job seeking support to individuals from complex family situations. After nearly five years, those contracts saw their last enrolments, though support for those people will continue into early 2023.

Summer 2020 should have been our first year of delivering our new National Citizen Service contracts. Working with NCS, we successfully adapted our summer programme into a blend of face to face team work and online engagement and with the resources from NCS extended a revised programme into schools. In April 2020 we had been due, in partnership with LB Southwark, to open the doors of our new Wellbeing centre for young people. Despite moving the service online we were able to establish a coaching programme for a growing number of young people suffering from poor mental health.

We continued to focus on jobs in the green economy. We launched an additional Green Team in Westminster and, in total, created a further 25 jobs for young people and adults with disabilities, in horticulture and grounds maintenance. Whilst we had to reduce capacity within Rework, our domestic appliance repair workshop, we were able to, with the support of COVID-19 response funds and support from our corporate partners, divert our goods to people adversely impacted by COVID-19; such as washing machines for homeless shelters and domestic refrigeration for people having to self-isolate for long periods. In 2020, in partnership with Westminster City Council and Cycle Confident we opened a workshop and shop employing unemployed young people to refurbish bikes.

While our usual Volunteering offer paused, the nationwide lockdown saw our Volunteering Services in Royal Borough of Kingston, LB Barnet, Westminster and Waltham Forest become a central part of the COVID-19 picture, becoming interlinked with the NHS, councils and charities who reimaged their services to create a community response. During the COVID response we supported 4,486 volunteers who provided 34,379 hours of frontline support for the shielding, community testing, food distribution, and the vaccine roll out. We also set up new services such as the Barnet Health Champions, a network over 250 local people sharing COVID health messaging to those most affected by the virus.

Promoting greener living & working – *helping people and businesses learn more (about their environmental impact and act responsibly to reduce natural resource use and improve their health.*

Fuel poverty continues to affect London's most vulnerable residents, with some GLA modelling showing that it could potentially impact as many as 24% of London households. It is families with young children, the elderly and those with existing health conditions that suffer the most acute effects of this through mental stress, poor health and wellbeing.

Our home energy advisors - *Green Doctors* transformed their services overnight changing face to face visits into an online phone based 'virtual visit'. We provided over 4,000 visits across London last year, adding health and COVID checks and offering fuel vouchers to those in fuel debt helping people to reduce their energy bills, improve their health and wellbeing and save energy.

London's water supplies are being stretched further and further each day as the capital's population continues to grow. By 2050, if we keep using water as we are today, we will need an extra 250 million litres a day. One of the solutions is for Londoners to use, and waste, less water.

At the beginning of the year Thames Water set our target of domestic water efficiency visits for 20/21 to 25,000 customers/properties, and a switch to only targeting high water users on the smart meter network. This resulted in downsizing the Thames Water domestic programme team across both London and the Thames Valley areas.

COVID-19 saw in our home visit service replaced by virtual visits, and the delivery team supporting a number of other Thames Water work streams – in particular helping Thames Water understand the impact of office closures on London's water balance, and signing up customers to the Green Redeem service (a reward scheme for customers continuing to sustain good water savings). By year end, we had delivered just under 13,000 domestic visits. Our 'Smarter Business Visit' programme was also significantly impacted by COVID-19 with our plumbers diverted to support Thames Water on other activities, including commercial meter reads. The team achieved a total of 6ML per day water savings, largely through focusing extensively on schools during their period of closure. We also worked with Groundwork South to start a new pilot programme with South East Surrey water, again focusing on schools in their service area.

We experienced a drop in our target of domestic water efficiency visits for 20/21 to 25,000 customers/properties, and a switch to only targeting high water users on the smart meter network. This resulted in downsizing the Thames Water domestic programme team across both London and the Thames Valley areas. Covid-19 saw in our home visit service replaced by virtual visits, and the delivery team supporting a number of other Thames Water work streams – in particular helping them understand the impact of office closures on London's water balance, and also signing up customers to the Green Redeem service (a reward scheme for customers continuing to sustain good water savings). By year end, we had delivered just under 13,000 domestic visits across the year. Our 'Smarter Business Visit' programme was also significantly impacted by Covid-19. The plumbers also supported Thames Water on other activities, including commercial meter reads, and achieved a total of 6ML per day water saving, largely through focusing extensively on schools during their period of closure. On a positive note we were able to start a new pilot programme with South East Surrey water, again focusing on schools in their service area.

The community reuse hubs, The Loops, which we set up in 2015 on the Pembury Estate and Grahame Park Estate, as part of the EU LIFE funded REPURPOSE programme continue to provide essential services for local communities. Again our services collecting unwanted furniture and household appliances from resident's homes which are repaired, and sold on to residents at low cost, were put on hold. The Loop @ Grahame Park turned activity into local response continued to support and engage its volunteers, developing online Covid workshops and training on themes such as repair, crafts and food. Through response funding we have continued to develop our offer further creating an online shop. All the money raised from sales is reinvested into the project, to buy workshop equipment, and to provide more local events and free training.

Our REUSE activity resulted in diverting 287 tonnes of waste from landfill, which contributed to an overall saving of over 4,860 tonnes of CO₂ emissions across all our activities.

Creating better places – *supporting people to work collectively to make their surroundings greener, safer and healthier and be actively involved in the way decisions are made about services in their area.*

Our work with communities expanded significantly during the year, supporting over 2900 community groups against our original target of 1000. This arose mainly due to our COVID-19 response work with Local Authorities and voluntary organisations as well as the Tesco Enablers programme and Grants programmes that set out to support communities during the pandemic.

Nearly 400 projects in London were awarded close to £1m of Tesco's Bags of Help community grants with funds targeted on children & young people projects and mental health/wellbeing support throughout the COVID-19 lockdown periods as well as improving open spaces and bringing communities together.

The portfolio of environmental and community grant schemes we manage on behalf of our national and regional partners, supported nearly 900 projects throughout London, awarding over £9.5m to a wide range of groups. These community groups and organisations used the grants to transform forgotten places, plant thousands of trees, increase access to nature and culture, reduce social isolation, tackle hate crime and violent extremism as well as realising hundreds of life changing projects across the capital. Many grantees

needed additional time or support to reconfigure and deliver their programmes in light of COVID-19 restrictions.

We continued to provide support to community groups in receipt of European Social Fund monies for training and skills development, and some new grant programmes came on stream - the 'Grow Back Greener' fund replaced the Mayor of London's Greener City Fund and we started to manage several COVID-19 recovery grants for the GLA, as well as new funding to support the regeneration around the Royal Docks.

Last year we worked with communities and funded community groups across London to make improvements to over 600 hectares of public open spaces, including public parks, playgrounds, housing estates, community gardens, hospital grounds, nature reserves, and many more of London's valuable public open spaces.

Following on from our successful project at Ivybridge Estate, we have been commissioned to work on 5 housing estates for LB Hounslow as part of a new Housing Estate Improvement Programme (HEIP). This annual programme plans to upgrade the open spaces and public realm on housing estates in the borough to complement other major works with £620,000 for improvements to 5 estates in 2020-21.

We have continued to deliver a significant programme of estate-wide sustainable drainage retrofit (funded by the GLA, Thames Water and LBHF) on the White City Estate, enhancing our reputation as a leading deliverer of SUDS retrofit in the capital.

Our work continues delivering the EU Horizon 2020 CLEVER Cities Programme now in its 3rd year. Working with London partners GLA, Peabody and Social Finance, the Groundwork Clever Cities team leads on the co-creation programme of the Making Space for Nature which builds relationships with local stakeholders and provides opportunities for people in Thamesmead to participate in the development of greener and more socially cohesive open space and to celebrate and improve the abundance of natural resources. During Covid the focus has been creating additional tools for co-creation to maintain engagement including a micro grants programme for local residents to transform their neighbourhood and home growing kits.

Groundwork London Financial Review

Groundwork London has determined to voluntarily provide a Statement of Financial Activity for Groundwork London 2020/21 as well as the required consolidated accounts for Groundwork London and Groundwork South (as its wholly owned subsidiary) for the same period. The financial review of the group is described earlier in this report.

Groundwork London shows income achieved in the year of £17,067,655 with expenditure of £16,987,079.

Principal Funding Sources

Funding for Groundwork London was provided by the following sources:

	£
Local Authorities	3,272,401
Public and Regional Agencies	4,788,332
European Union	1,543,464
Private Sector	6,678,814
National Lottery	784,644
	<u>17,067,655</u>

Reserves Policy

The Board of Trustees has agreed a long term aim of holding unrestricted, free reserves equivalent to six months' (180 days) running costs. The Board believes this is a prudent level of reserves for a Charity based in Central London and is in line with other Groundwork Trusts.

The Board has agreed that a reasonable level of reserves is required to:

- absorb short term setbacks such as loss or delays in funding
- finance working capital needs and fund time delays between the expenditure and receipt of funds
- set aside funds for appropriate capital assets such as IT equipment and securing and developing suitable premises

The Board monitor unrestricted reserves on a quarterly basis and the Reserves Policy is reviewed on an annual basis to assess the needs of the organisation.

At the year-end unrestricted reserves shown in the balance sheet covered 340 days (2020: 185 days) running costs. The reserves days includes the consolidation of Groundwork South's accounts into the Groundwork London accounts.

Future Plans 2021/22

In line with our new strategy: Groundwork 2025, our ambition is continue to be a significant force for changing places and changing lives across London.

We will also ensure that Groundwork activity is sustained and developed across the South of England through our wholly owned subsidiary Groundwork South. Groundwork South will present its own business plan focused on the communities in South East & South West England.

During 2021/22 Groundwork London will work to the following strategic objectives:

1. Creating and delivering services to meet the needs of London and Londoners.

The value of our offer lies in the strategic combination of the services we deliver and the particular qualities we bring to them. Delivering high quality, innovative actions with multiple economic, social and environmental benefits will be central to all that we do. Our priorities are:

Improving people's prospects – delivering support to increase the confidence, skills, wellbeing and employability of young people & adults.

Creating better places – supporting people to work collectively to make their surroundings greener, more resilient, safer and healthier; and be actively involved in the way decisions are made about services in their area.

Promoting greener living and working – helping people, organisations and businesses learn more about their environmental impact and act responsibly to reduce natural resource use; address food and fuel poverty; and improve health and wellbeing.

2. Building productive relationships and partnerships, influence and shape policies and share learning

The success of our work is reliant on building long-term, cross sector alliances to develop collaborative business opportunities and by adding value to local and regional strategic partnerships. We will focus on:

- Developing and expanding our associations with the London Boroughs and the Housing sector
- Exploring and creating new programme activities with the GLA and TfL, London Councils, and the London Strategic Waste Authorities, Health commissioners and providers and academic institutions
- Develop new services for residents and businesses with utilities companies and expanding our work with the corporate sector
- Provide management and Board support to Cross River Partnership, London Community Resource Network and Our Park Life
- Working with the voluntary sector and other community support organisations
- Working with the members of the Groundwork Federation on business development, peer support and the future development of the Federation

3. Maintaining a strong, viable business, achieving excellence in service delivery

The performance of our business will be driven by increasing the quality, consistency and efficiency of our operations through investments in staff training and development, and specialist skills; by developing our ability to secure income from diverse sources; and targeting communications & marketing to key sectors and audiences. We will:

- Continue to measure the quality of our delivery and the impact we make
- Diversify our income and make best use of our property, IT and treasury resources
- Attract, develop and support highly skilled and motivated teams
- Deliver communications to raise the profile of the organisation and internal communications, helping to build one strong, cohesive staff team in London

We will also support Groundwork South to sustain and develop Groundwork activity across the South of England. We will do this via financial support in the form of loans and through leadership and management of defined specialist activities.

We will deliver:

Community spaces: Enabling community led environmental improvements to publicly accessible open spaces.

- Inspire, mobilise and support people to take a more active role in improving and managing the local spaces that matter to them
- Focus activity in neighbourhoods where there is more limited access to high quality open space
- Work creatively with councils and other partners to maximise the social, economic and environmental benefits of green spaces

Green infrastructure: Providing technical expertise in sustainable land management and climate change adaptation. We will:

- Providing technical expertise, including sustainable urban landscape design and Geographic Information Systems mapping intelligence
- Creating spaces that are resilient to the changing climate, and that meet the needs of local communities for sport, play and recreation and enhance London's nature and heritage
- Developing understanding and expertise around carbon sequestration from our green space projects.

Health & Wellbeing

Encouraging physical activity, promoting healthy eating and addressing environmental causes of health problems.

- Encouraging and enabling people to improve their health and well-being through physical and sporting activity, or the participation in social prescribing initiatives
- Helping people improve their mental health through specialist support, well-being coaching and signposting.
- Addressing food poverty by supporting food distribution, promoting community food growing and healthy eating initiatives
- Focusing on improving, and helping Londoners adapt to, major environmental issues that contribute to poor health such as poor air quality or extreme weather events

Social integration

Using a community participation approach to create stronger, more cohesive communities, to improve the quality of life and opportunity. We will:

- Tackle the social, physical and practical barriers to inclusion, including knowledge and skills, perceptions and confidence, and access issues such as digital exclusion
- Help socially isolated individuals through activities such as 1-2-1 support and creative group workshops.
- Support the integration of marginalised groups, including refugees, migrants and older people, through peer support, connection to local services and building social networks

Volunteering: Brokering volunteering opportunities for individuals and organisations. We will:

- Inspire and support volunteers of all ages, finding them the right opportunities, ensuring they get the best possible experience and fulfil the goals that motivated them to volunteer.
- Support organisations to identify volunteering opportunities, and maximise the impact of their volunteers' time and skill.

Employment and Skills: Providing personal advice and guidance, training, work experience and job brokerage. We will:

- Help the most disadvantaged people improve their skills and move from welfare into sustainable employment by: personal advice and guidance; realistic work placements and trials; addressing barriers to work and linking the right people with the right jobs.
- Deliver accredited training, certifying the skills that people have gained from working with us, and enabling them to gain employment and progress into further training.

Youth work: Providing coaching and positive activities for young people to develop their life skills and fulfil their potential. We will:

- Run clubs and activities for young people that enable them to develop life skills and engage in rewarding work in their local community.
- Work to improve the attitude, attainment, aspirations and wellbeing of young people, coaching them to make the most of their education opportunities, explore meaningful career paths and make positive life choices.
- Facilitate youth social action opportunities for young Londoners.
- Support the mental health and wellbeing of young people.

Green Jobs: Providing practical work experience and training for sustainable employment. We will:

- Provide opportunities for those out of work to gain confidence and skills and find jobs through working on practical schemes to improve local environments, enhancing valuable open space facilities and preparing our neighbourhoods for the impacts of climate change.
- Develop, create and actively promote opportunities for new 'green' job roles within Groundwork's work programmes covering areas such as reuse, water and energy efficiency.
- Work closely with the London agencies driving the move to low carbon and green recovery, ensuring that those most disadvantaged from the labour market can benefit from the jobs created.

Resource efficiency: Reducing waste, energy and water consumption through advice and action. We will:

- Help more people, particularly vulnerable residents, to reap the benefits from more efficient consumption of resources, changing behaviours and improving homes in order to reduce energy and water consumption and reducing utility bills.
- Support public, private and voluntary sector organisations to meet carbon and water reduction targets, wider environmental management aspirations and social responsibility targets.
- Contribute to London's circular economy by increasing and promoting recycling and reuse, in particular domestic furniture, white goods and bicycles.

Climate Change: Ensuring our programmes and the support we provide to others mitigate the causes and negative effects of climate change. We will:

- Increase Londoners' awareness and understanding of climate change and support them to minimise the causes and effects of climate change.
- Develop a Groundwork London carbon offset programme to fund carbon reduction activity.
- Actively support and promote greener travel opportunities in the capital.

Innovation and development: Investing in new ideas and development to meet London's changing needs. We will:

- Invest in ideas and new ways of doing things in consultation with our key partners, clients and funders to address the challenges facing London and Londoners.

Principal Risks and Uncertainties

The Board accepts its responsibility under the Charity Commission's Statement of Recommended Practice (SORP) for ensuring the major risks to which the charity is exposed are identified and reviewed and that there are systems in place to mitigate against them.

The Trust undertakes an annual review of risk, the principle risks identified during the business planning process for the forthcoming year are:

- Impact of COVID-19 on ability to deliver programmes and to ensure staff & beneficiary health & safety
- Failure to secure funding for the projected operations plans
- Inability of the organisation to meet its utilisation targets or chargeable rates
- Failure to deliver targets in 'payment by results' contracts
- Poor performance and partner dissatisfaction with the quality of delivery
- Loss of large contracts

Strategic planning is central to our business management, common features that will help us address these risks are:

- Regularly reviewing and communicating COVID-19 secure measures in organisational and project risk assessments, policies and procedures and in accordance to government guidelines. Working to minimise the risks to our staff, service users and operations
- Undertaking regular reviews of all contracts to ensure ongoing service delivery
- Empowering our staff to develop new, creative and effective ways of working
- Reviewing and amending our business continuity planning, including focus on ICT as being essential to adapting our delivery and working arrangements
- Implementing changes to our structure and operations as required to ensure the Charity can continue to deliver its charitable objectives
- Effective targeting of fundraising and development activity
- Expanding our offer to existing and new partnerships with local authorities, housing associations and the private sector
- Investing in specialist skills to drive up quality across all our services
- Prioritising and consolidating development, marketing and communications to grow our visibility and broaden our access to new income sources
- Increasing our competencies and professionalism to meet the growing demands of commissioning, audit and evaluation
- Continued emphasis on demonstrating the value and benefits of Groundwork's services
- Monitoring delivery and financial performance
- Preparing actions plans to mobilise change processes arising from changes or loss of major contracts
- Providing training and support to improve project and performance management and client focus skills to ensure projects are delivering required outcomes, on time and to budget
- Engaging with Groundwork South and the Federation to provide support to business management and development and specialist delivery services
- Effective establishment, implementation and review of internal processes and procedures

Financial management of projects is controlled using PIMS (Project Information Management System). The Trust has strong skills within the staff teams in its effective use. Expenditure is only made on projects once income has been secured. The amount of secured and unsecured income and the expenditure and revenue on all projects is analysed on a monthly basis. Detailed management information is imported from the system to provide up to date financial and operational performance against targets.

The Executive Team reviews income and contribution secured against business plan, team capacity and project performance together with other business information. These are also reported to the staff teams at monthly Operations and Development meetings and on a quarterly basis to the Board, to focus Trust attention on achieving Business Plan targets.

In addition to reviewing the risk register, quarterly reports to the Board monitor income & expenditure and progress towards financial targets. Detailed management accounts are examined at each meeting. The Trust submits these accounts to Groundwork Federation on a quarterly basis and is monitored on security of income and financial stability.

Financial Instruments

Groundwork London's financial risk management objective is broadly to seek not to make losses from exposure to any interest rate or currency fluctuations. In the year 2020/21 we have had no exposure to these fluctuations. Our policy has been to finance fixed assets through retained reserves. Other than bank charges, no interest is payable on our bank accounts.

Reference and Administrative Details

Registered Company number
04212532 (England and Wales)

Registered Charity number
1121105

Registered office of the company and principal office of the charity
18-21 Morley Street, London, SE1 7QZ

Our advisers

Auditors	Hartley Fowler	4 th Floor, Tuition House, 27/37 St George's Road, London, SW19 4EU
Bankers	Lloyds	Blackheath Branch, PO Box 1000, BX1 1LT
Solicitors	Bates, Wells & Braithwaite	61 Charterhouse Street, London EC1M 6HA

Key management personnel: Directors and Trustees

The directors of the charity are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

Co-opted	Alan Smith (Chair 1/4/14)	appointed	20/02/2012
	Graham Beal	appointed	10/03/2014
	Dan Davidson	appointed	08/05/2014
	Phil Stokes	appointed	17/07/2014
	Keith Taylor	appointed	20/03/2017
	Sophie Taysom	appointed	20/04/2020
	Bradley Pritchard	appointed	28/09/2020
	Lanre Bello	appointed	28/09/2020
	Sadaf Rasheed	appointed	28/09/2020
	Tom Leake	appointed	28/09/2020
	John Smith	resigned	28/09/2020

Groundwork UK nominee	Marilyn Baxter	appointed	20/03/2017
------------------------------	----------------	-----------	------------

Local Authority nominee	Susan Wise	appointed	01/06/2015
--------------------------------	------------	-----------	------------

Company Secretary	Stuart Harrison
--------------------------	-----------------

Key management personnel: Senior Managers

Executive Director	Lindy Kelly
Director, Finance & Corporate Services	Stuart Harrison
Director, Communities & Environmental Services	Katrina Baker
Director, Youth, Employment & Skills	Graham Parry
Director, Development & Strategic Partners	Ben Coles

Structure, Governance and Management

Structure

Groundwork London is a registered charity and company limited by guarantee and is governed by its Articles of Association. Groundwork London was registered as a limited company on 8th May 2001 under the name Groundwork London Partnership and changed its name by Special Resolution to Groundwork London on 10th September 2007. On 1st November 2007 Groundwork London merged with Groundwork Southwark & Lambeth, Groundwork South East London and Groundwork Merton. On 1st April 2008 Groundwork London merged with Groundwork West London and incorporated the London activities of Groundwork Federation (non-legal incorporation). Groundwork North and Groundwork East London transferred as mergers on 1st April 2009.

Groundwork London is a member of the Federation of Groundwork Trusts in England, Wales and Northern Ireland, each working with partners to improve the quality of the local environment, the lives of local people and the success of local businesses in areas in need of investment and support. The Federation Membership Agreement is a bilateral agreement jointly signed by both the Trust and the Federation, setting out the obligations, defining the minimum quality and ethical standards, setting out the core values and defining the circumstances and procedures whereby Trusts may be required to leave the Federation.

Groundwork London became the sole company member of The Groundwork South Trust Ltd on the 14th March 2017. Groundwork South continues to operate as an independent company with its own Board.

The Members of Groundwork London

The company members are the Federation of Groundwork Trusts, Dan Davidson, Eugenie White, Alan Smith, Cate Newnes-Smith, John Smith and Susan Wise.

Governance

As Groundwork London has evolved so has our Governance ensuring that it is both relevant and effective as well as being resilient to future changes in our operating environment.

Board of Trustees

The Governing body of the Trust is the Board of Trustees. The Board is responsible for major strategic decisions and has ultimate responsibility for the conduct and financial viability of the organisation, it meets formally four times a year. The Board comprises of not more than 15 Directors of whom not more than 6 are either nominated or appointed and 9 co-opted Trustees:

- 4 appointed Local Authority members elected from the Local Authority Strategic Input Board
- 2 Groundwork Federation nominees
- 9 co-opted members

Trustees generally serve in terms of between 12 months and 3 years and can be reappointed by the Board. The Board has an agreed strategy to enable Board succession to occur on a rolling basis. The Board began a recruitment process in 2020 to fill vacancies and to meet its identified diversity needs. New Board members joined later in 2020.

Committees

The Board has established a number of committees:

- Finance & Audit Committee is responsible for reviewing the overall status of financial and investment resources and for making appropriate recommendations to the Board. It meets four times a year.
- The Executive Recruitment & Remuneration Committee assists the Board in the appointment of the Executive Director and to support the Executive Director in the appointment of Directors and to consider and approve their remuneration. The Remuneration Committee meets once per year.
- Local Authority Members Board enables Local Authorities to shape the strategic direction of Groundwork within London boroughs, to keep their LA's informed about the breadth of Groundwork London's expertise and appoint, via an electoral process, members to the Groundwork London Board. Due to COVID-19 plans to review and rejuvenate the Local Authority Members Board was put on hold. This will now be undertaken early in 2022.

Induction & Training

New members of the Board of Trustees are provided with the Groundwork London Governance handbook and other key documents and have an induction meeting with the Executive Director. The induction includes an overview of the objects of Groundwork London and its Vision and Mission, the structure, its staff and volunteers and finance. Trustees are also encouraged and supported in visiting projects.

Community Interest Company – *Our Parklife*

Our Parklife was formally constituted in September 2014 by company members; Equans (previously known as Engie prior to name change); Groundwork London; Renaisi and Idverde (previously known as The Landscape Group prior to acquisition). Engie UK appoint two members to the Board and all other members appoint one Director. Groundwork London's has appointed two Directors who alternate, they are Graham Parry (Director, Youth, Employment & Skills) & Ben Coles (Director, Development & Strategic Programmes).

The objects of the Company are to carry on activities which benefit the community and in particular (without limitation) to promote the social, economic and environmental well-being of residents in the boroughs immediately surrounding the Queen Elizabeth Olympic Park in Stratford by providing opportunities in the Park:

- for employment and training; improving skills and knowledge; and encouraging entrepreneurship, innovation and business skills;
- within the operations of the Members across London for employment and training and improving skills and knowledge;
- for new and existing residents to meet and mix to promote cohesion and inclusion; and
- for local people to volunteer, to learn about environmental sustainability and to undertake initiatives in their own neighbourhoods and provide educational opportunities for schools and young people.

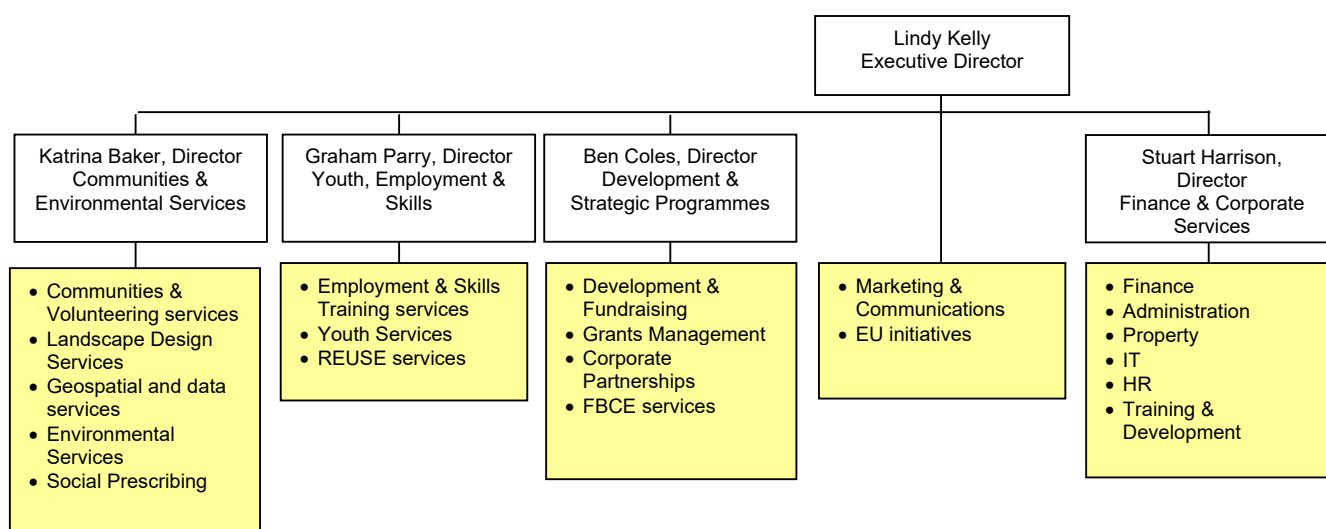
Management

The Board delegates day-to-day financial and managerial control of the organisation to the Executive Director. The Executive Director, together with the Executive Team, meets monthly to discuss the operational and financial status of the Trust.

Groundwork London's professional team continues to evolve in response to changes to our organisational structure and changes to the scale of the activities across each of our thematic areas and the needs of our business operational requirements. The framework within which our teams are organised are guided by the following principles:

- We must remain embedded in the local community, with local delivery at the core of what we do
- We must be able to operate a seamless, consistent and high quality delivery service across London
- We need to be a credible local and regional partner able to operate at a strategic level
- We must be a strong and viable organisation

Projects and programmes continue to be delivered by local teams, with management organised through area management structures and specialist service. At the end of the 2020/21 we had 255 FTE employees.



Trustees' responsibilities in relation to the financial statements

The charity trustees (who are also the directors of Groundwork London for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to 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 the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

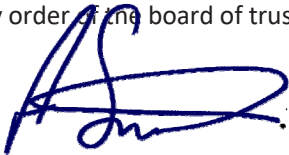
The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware, and
- the trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the board of trustees



.....
Alan Smith - Trustee

Date: 20th September 2021

Independent Auditor's Report

to the members of Groundwork London

Opinion

We have audited the financial statements of Groundwork London (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 group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2021 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;
- 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 Auditors' 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 Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, including the strategic 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

Independent Auditor's Report

to the members of Groundwork London (continued)

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. 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 trustees' annual report, including the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the trustees' annual report, including the strategic report has 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 their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 trustees' responsibilities statement set out in the trustees' annual report, 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 group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

Independent Auditor's Report

to the members of Groundwork London (continued)

We identify and assess risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and the charities activities;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charitable company's documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the charitable company operates in. The key laws and regulations we considered in this context included the Charities Act 2011, UK Companies Act and tax legislation.

In addition we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.

As a result of performing the above, we did not identify any key matters related to the potential risk of fraud or non-compliance with laws and regulations.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provision of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reviewing minutes of meetings of those charged with governance, reviewing internal reports, and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments, assessing whether the judgements made in making accounting estimates are indicative of a potential bias and evaluating the business rationale for any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indication of fraud or non-compliance with laws and regulations throughout the audit.

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

Independent Auditor's Report

to the members of Groundwork London (continued)

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 auditors' 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.



Jonathan Askew, FCA (Senior statutory auditor)
for and on behalf of Hartley Fowler LLP
Statutory Auditor
Chartered Accountants
Fourth Floor, Tuition House
27/37 St George's Road
London
SW19 4EU

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Consolidated Statement of Financial Activities for the year ended 31st March 2021, incorporating the Income and Expenditure account

		Unrestricted Funds	Restricted Funds	31.3.21 Total Funds	31.3.20 Total Funds
	Notes	£	£	£	£
INCOME					
Investment income	3	348,195	-	348,195	403,845
Income from charitable activities	4	13,907,359	6,705,295	20,612,654	24,383,964
Total Income		<u>14,255,554</u>	<u>6,705,295</u>	<u>20,960,849</u>	<u>24,787,809</u>
EXPENDITURE					
Cost of raising funds	5	246,565	-	246,565	308,521
Charitable activities	6	14,044,656	6,580,100	20,624,756	23,920,811
Total expenditure		<u>14,291,221</u>	<u>6,580,100</u>	<u>20,871,321</u>	<u>24,229,332</u>
Net income before gains/ (losses) on investments		(35,667)	125,195	89,528	558,477
Net (losses)/ gains on investment properties	14	375,000	420,283	795,283	(19,559)
Net gains / (losses) on cash investments	18	341,196	-	341,196	(195,403)
Net income		<u>680,529</u>	<u>545,478</u>	<u>1,226,007</u>	<u>343,515</u>
Transfers between funds	23	130,195	(130,195)	-	-
Net movement in funds		<u>810,724</u>	<u>415,283</u>	<u>1,226,007</u>	<u>343,515</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>8,795,468</u>	<u>1,146,763</u>	<u>9,942,231</u>	<u>9,598,716</u>
TOTAL FUNDS CARRIED FORWARD	23	<u>9,606,192</u>	<u>1,562,046</u>	<u>11,168,238</u>	<u>9,942,231</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

The notes on pages 34 to 54 form part of these financial statements.

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Charity Statement of Financial Activities for the year ended 31st March 2021, incorporating the Income and Expenditure account

		Unrestricted Funds	Restricted Funds	31.3.21 Total Funds	31.3.20 Total Funds
	Notes	£	£	£	£
INCOME					
Investment income	3	353,741	-	353,741	443,921
Income from charitable activities	4	12,644,451	4,069,463	16,713,914	19,828,239
Total Income		12,998,192	4,069,463	17,067,655	20,272,160
EXPENDITURE					
Cost of raising funds	5	246,565	-	246,565	308,521
Charitable activities	6	12,699,908	4,040,606	16,740,514	19,484,699
Total expenditure		12,946,473	4,040,606	16,987,079	19,793,220
Net income before gains/ (losses) on investments		51,719	28,857	80,576	478,940
Net (losses)/ gains on investment properties	14	375,000	420,283	795,283	(19,559)
Net gains / (losses) on cash investments	18	341,196	-	341,196	(195,403)
Net income		767,915	449,140	1,217,055	263,978
Transfers between funds	23	33,857	(33,857)	-	-
Net movement in funds		801,772	415,283	1,217,055	263,978
RECONCILIATION OF FUNDS					
Total funds brought forward		9,280,105	1,146,763	10,426,868	10,162,890
TOTAL FUNDS CARRIED FORWARD	23	10,081,877	1,562,046	11,643,923	10,426,868

The Statement of Financial Activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

The notes on pages 34 to 54 form part of these financial statements.

Groundwork London

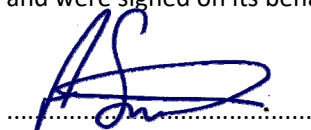
(A company limited by guarantee)

Registered Number: 04212532

Consolidated Balance Sheet as at 31st March 2021

		31.3.21	31.3.20
	Notes	£	£
FIXED ASSETS			
Tangible assets	12	2,379,520	2,397,954
Intangible assets	13	-	8,054
Investment properties	14	3,562,047	2,766,764
TOTAL FIXED ASSETS		5,941,567	5,172,772
CURRENT ASSETS			
Debtors	17	5,220,401	7,774,334
Current asset investments	18	2,813,193	2,742,780
Cash at bank		5,547,273	2,422,813
TOTAL CURRENT ASSETS		13,580,867	12,939,927
LIABILITIES			
Creditors falling due within one year	19	(8,354,196)	(8,170,468)
NET CURRENT ASSETS		5,226,671	4,769,459
TOTAL ASSETS LESS CURRENT LIABILITIES		11,168,238	9,942,231
NET ASSETS		11,168,238	9,942,231
THE FUNDS OF THE GROUP	23		
General funds		5,622,638	5,632,327
Designated funds		2,145,361	2,145,361
Fair value reserve		1,838,193	1,017,780
Restricted revaluation fund		1,079,823	659,540
Restricted property fund		482,223	679,099
TOTAL GROUP FUNDS		11,168,238	9,942,231

The financial statements were approved by the Board of Trustees on 20th September 2021 and were signed on its behalf by:



Alan Smith - Trustee

The notes on pages 34 to 54 form part of these financial statements

Groundwork London

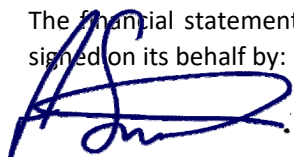
(A company limited by guarantee)

Registered Number: 04212532

Charity Balance Sheet as at 31st March 2021

	Notes	31.3.21 £	31.3.20 £
FIXED ASSETS			
Tangible assets	12	1,352,638	1,351,219
Investment properties	14	3,562,047	2,766,764
TOTAL FIXED ASSETS		4,914,685	4,117,983
NON CURRENT ASSETS	16	15,948	365,948
CURRENT ASSETS			
Debtors	17	5,125,693	7,630,014
Current assets investments	18	2,813,193	2,742,780
Cash at bank		5,300,340	2,222,751
TOTAL CURRENT ASSETS		13,239,226	12,595,545
LIABILITIES			
Creditors falling due within one year	19	(6,525,936)	(6,652,608)
NET CURRENT ASSETS		6,713,290	5,942,937
TOTAL ASSETS LESS CURRENT LIABILITIES		11,643,923	10,426,868
NET ASSETS		11,643,923	10,426,868
THE FUNDS OF THE CHARITY	23		
Unrestricted funds		6,098,323	6,116,964
Designated funds		2,145,361	2,145,361
Fair value reserve		1,838,193	1,017,780
Restricted revaluation fund		1,079,823	659,540
Restricted property fund		482,223	487,223
TOTAL CHARITY FUNDS		11,643,923	10,426,868

The financial statements were approved by the Board of Trustees on 20th September 2021 and were signed on its behalf by:



Alan Smith - Trustee

The notes on pages 34 to 54 form part of these financial statements

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Consolidated Statement of Cash Flows for the year ended 31st March 2021

	Notes	31.3.21 £	31.3.20 £
Cash flows from operating activities	25	2,612,698	71,174
Cash flow from investing activities			
Investment income received		353,741	403,845
Income from sale of investments		270,783	-
Purchase of fixed assets		(112,762)	(112,145)
Net cash used in investing activities		511,762	291,700
Net Increase/(decrease) in cash and cash equivalents		3,124,460	362,874
Cash and cash equivalents at the beginning of the year		2,422,813	2,059,939
Cash and cash equivalents at the end of the year		5,547,273	2,422,813

The notes on pages 34 to 54 form part of these financial statements

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Charity Statement of Cash Flows for the year ended 31st March 2021

		31.3.21	31.3.20
	Notes	£	£
Cash flows from operating activities	25	<u>2,215,827</u>	<u>(870,112)</u>
Cash flow from investing activities			
Investment income received		353,741	443,921
Income from sale of investments		270,783	-
Cash inflows from new investments		-	(200,000)
Cash outflows from new investments		350,000	1,110,000
Purchase of fixed assets		<u>(112,762)</u>	<u>(106,345)</u>
Net cash used in investing activities		<u>861,762</u>	<u>1,247,576</u>
Net Increase/(decrease) in cash and cash equivalents		3,077,589	377,464
Cash and cash equivalents at the beginning of the year		2,222,751	1,845,287
Cash and cash equivalents at the end of the year		<u><u>5,300,340</u></u>	<u><u>2,222,751</u></u>

The notes on pages 34 to 54 form part of these financial statements

Groundwork London

(A company limited by guarantee)

Registered Number: 04212532

Notes to the financial statements for the year ended 31st March 2021

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Groundwork London meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. With respect to the next reporting period, 2020-21, the most significant areas of uncertainty are the impacts of Brexit on Government, Local Authority funding commitments and the impact of COVID-19-19.

b) Estimates and judgements

The investment property valuations referred to in note 14 are based on the professional opinion of fair value from a qualified chartered surveyor.

c) Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Grants receivable, where related to performance are accounted for as the charity earns the right to consideration by its performance. Where income is received in advance, recognition is deferred and included in creditors and where entitlement arises before income is received the income is accrued.

d) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

e) Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs. These costs are allocated to projects based on the ration of project time incurred.

f) Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life. Items over £2,000 are capitalised.

Long leasehold	-over the term of the lease
Buildings	-2% per annum
Fixtures and fittings	-at varying rates on cost
Motor vehicles	-at varying rates on cost
Computer equipment	-at varying rates on cost

g) Intangible fixed assets

Amortisation is provided at the following rates:

Software	- 20% straight line
----------	---------------------

h) Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve. No depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to run.

i) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

j) Taxation and VAT

The charity is exempt from corporation tax on its charitable activities. The company is registered for VAT and all resources expended are inclusive of irrecoverable VAT. Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

k) Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the note 20 to the financial statements.

l) Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the period of the lease.

m) Consolidation

The financial statements consolidate the results of the charitable company and its wholly owned subsidiary, The Groundwork South Trust Ltd, on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charitable company has also been presented. The charitable company also has two dormant subsidiaries as set out in the notes to the accounts.

n) Pensions

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The company pays fixed contributions, charged to the statement of financial activities in the period to which they relate. The charity contribution is restricted to the contributions disclosed in note 11.

The money purchase plan is managed by AEGON and the plan invests the contributions made by the employee and employer in an investment fund to build up over the term of the plan.

The Trust has no liability beyond making its contributions and paying across the deductions for the employee's contributions. A similar defined contribution scheme is operated by the subsidiary company, The Groundwork South Trust Ltd.

o) Debtors

Trade and other debtors are recognised at the settlement amount due. No discounts are offered. Prepayments are valued at the amount prepaid

p) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

q) Investment policy

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust aims to have a portfolio of Financial Investments consistent with a "Balanced Portfolio" profile of risk, return, and liquidity, as identified in an externally conducted assessment of attitude to risk of the trustees when investing the Trust's assets. In order to achieve this it will select Investment Managers which are able to make informed and timely asset allocation decisions consistent with the objectives of this Investment Policy and which may include Government and Corporate Bonds (UK and Overseas), UK and overseas Equities, Property, Gold and other commodities (excluding coal) and cash.

The Trust aims to utilise returns from financial investments for its day to day operations.

The Trust wishes to keep at least 40% of total assets in investments which can be realised within three months.

A minimum of 10% of total assets should be capable of being liquidated within 7 working days.

The Trust will not invest directly in any organisation whose main business activity is:

- The production of tobacco or narcotics
- The production of pornographic material
- The manufacture of weapons of war
- Encouraging or enabling gambling
- Providing Home Credit (Doorstep Lending)
- Using child labour or other exploitative employment practices

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

r) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts available.

s) Government Grants

Government grants are recognised when the entity has reasonable assurance that conditions attached to the grant will be complied with and that the grant will be received.

Revenue grants are recognised using the accrual model and are therefore recognised as income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. Revenue grants are measured at fair value, being the amount of cash receivable.

2. LEGAL STATUS

Groundwork London is a company limited by guarantee and has no share capital. The registered office and principal place of business is 18-21 Morley Street, London, SE1 7QZ. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

3. INVESTMENT INCOME

	Charity	
	31.3.21	31.3.20
	£	£
Rents received	258,993	285,669
Bank and investment interest	94,748	158,252
	<u>353,741</u>	<u>443,921</u>

	Group	
	31.3.21	31.3.20
	£	£
Rents received	258,993	285,669
Bank and investment interest	89,202	118,176
	<u>348,195</u>	<u>403,845</u>

Investment income includes income received for the leasing out of business units at Artichoke Mews, a public house adjacent to Denmark Hill railway station, income received for leasing out space at Morley Street and Lower Clapton Road, deposit interest received, income from Trust current investments and interest on loans from group undertakings.

4. INCOME FROM CHARITABLE ACTIVITIES

	Charity			
Income was received for:	Unrestricted funds	Restricted funds	31.3.21	31.3.20
	£	£	£	£
Communities and Environmental Service	5,493,878	531,646	6,025,524	8,060,546
Landscape Design Services	1,071,067	1,013,312	2,084,379	4,795,882
Youth, Employment & Skills Training	4,326,557	738,447	5,065,004	4,369,269
Strategic Partnerships & Programmes	1,752,949	1,786,058	3,539,007	2,602,542
	<u>12,644,451</u>	<u>4,069,463</u>	<u>16,713,914</u>	<u>19,828,239</u>

In 2021 the income from charitable activities was £16,713,914 (2020: £19,828,239) of which £12,644,451 (2020: £16,343,526) was income from unrestricted funds and £4,069,463 (2020: £3,484,713) was income from restricted funds.

4. INCOME FROM CHARITABLE ACTIVITIES (cont'd)

Income was received for:			Group	
	Unrestricted funds	Restricted funds	31.3.21	31.3.20
	£	£	£	£
Communities and Environmental Service	6,404,570	1,392,372	7,796,942	10,755,951
Landscape Design Services	1,446,894	1,331,081	2,777,975	5,716,041
Youth, Employment & Skills Training	4,338,946	2,195,784	6,534,730	5,309,430
Strategic Partnerships & Programmes	1,716,949	1,786,058	3,503,007	2,602,542
	<u>13,907,359</u>	<u>6,705,295</u>	<u>20,612,654</u>	<u>24,383,964</u>

In 2021 the income from charitable activities was £20,612,654 (2020: £24,383,964) of which £13,907,359 (2020: £18,341,532) was income from unrestricted funds and £6,705,295 (2020: £6,042,432) was income from restricted funds.

Income was provided by:	Charity	
	31.3.21	31.3.20
	£	£
Local Authorities	3,272,401	2,750,020
Public and Regional Agencies	4,788,332	7,281,964
European Union	1,543,464	1,381,375
Private Sector	6,325,073	7,004,366
National Lottery	784,644	1,410,514
	<u>16,713,914</u>	<u>19,828,239</u>

	Group	
	31.3.21	31.3.20
	£	£
Local Authorities	4,322,878	4,719,480
Public and Regional Agencies	5,163,218	7,468,888
European Union	1,543,464	1,381,375
Private Sector	7,784,753	8,772,991
National Lottery	1,798,341	2,041,229
	<u>20,612,654</u>	<u>24,383,964</u>

Income arose from:	Charity	
	31.3.21	31.3.20
	£	£
Sale of goods	329,772	401,798
Rendering of services	11,218,001	11,711,816
Grants	3,626,986	5,737,190
Government grants – employment programmes	1,539,155	1,977,434
	<u>16,713,914</u>	<u>19,828,239</u>

	Group	
	31.3.21	31.3.20
	£	£
Sale of goods	329,772	401,798
Rendering of services	15,102,118	16,252,918
Grants	3,641,609	5,751,813
Government grants – employment programmes	1,539,155	1,977,434
	<u>20,612,654</u>	<u>24,383,964</u>

4. COSTS OF RAISING FUNDS

	Charity and Group	
	31.3.21	31.3.20
	£	£
Other operating leases	80,709	93,276
Administrative expenses	165,856	215,245
	<u>246,565</u>	<u>308,521</u>

Administrative costs relate to the management of business units at Artichoke Mews and a public house adjacent to Denmark Hill railway station, offices at Morley Street and rental space at Lower Clapton Road.

5. CHARITABLE ACTIVITIES COSTS

	Direct costs	Governance and support costs (see note 7)	31.3.21	Charity 31.3.20
	£	£	£	£
Communities and Environmental Services	6,285,120	915,396	7,200,516	7,806,580
Landscape Design Services	1,253,411	96,398	1,349,809	4,614,854
Youth, Employment & Skills Training	4,401,573	486,280	4,887,853	4,471,470
Strategic Partnerships & Programmes	<u>3,225,076</u>	<u>77,260</u>	<u>3,302,336</u>	<u>2,591,795</u>
	<u>15,165,180</u>	<u>1,575,334</u>	<u>16,740,514</u>	<u>19,484,699</u>

In 2021 the expenditure on charitable activities was £16,740,514 (2020: £19,484,699) of which £12,699,908 (2020: £16,064,851) was expenditure from unrestricted funds and £4,040,606 (2020: £3,419,848) was expenditure from restricted funds.

	Direct costs	Governance and support costs (see note 7)	31.3.21	Group 31.3.20
	£	£	£	£
Communities and Environmental Services	7,921,867	1,168,763	9,090,630	10,278,540
Landscape Design Services	2,570,766	292,778	2,863,544	5,956,213
Youth, Employment & Skills Training	4,819,201	549,045	5,368,246	5,094,263
Strategic Partnerships & Programmes	<u>3,225,076</u>	<u>77,260</u>	<u>3,302,336</u>	<u>2,591,795</u>
	<u>18,536,910</u>	<u>2,087,846</u>	<u>20,624,756</u>	<u>23,920,811</u>

In 2021 the expenditure on charitable activities was £20,624,756 (2020: £23,920,811) of which £14,044,656 (2020: £17,981,083) was expenditure from unrestricted funds and £6,580,100 (2020: £5,939,728) was expenditure from restricted funds.

7. GOVERNANCE AND SUPPORT COSTS

The Trust identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs, together with the governance costs are apportioned between the thematic programme areas in the year. The costs are allocated by staff time. The breakdown of costs are as follows:

Cost type				Charity
	Support costs	Governance costs	Total 2021	Total 2020
	£	£	£	£
Staff costs	858,799	23,698	882,497	935,961
Office and other costs	657,755	35,082	692,837	539,871
Total costs	<u>1,516,554</u>	<u>58,780</u>	<u>1,575,334</u>	<u>1,475,832</u>

Cost type				Group
	Support costs	Governance costs	Total 2021	Total 2020
	£	£	£	£
Staff costs	1,024,133	23,698	1,047,831	1,101,103
Office and other costs	997,433	42,582	1,040,015	825,810
Total costs	<u>2,021,566</u>	<u>66,280</u>	<u>2,087,846</u>	<u>1,926,913</u>

8. GOVERNANCE COSTS

	Group	
	31.3.21	31.3.20
	£	£
Staff costs	23,698	26,299
Legal fees	20,082	24,655
Auditor's remuneration	22,500	22,500
Total costs	<u>66,280</u>	<u>73,454</u>

9. NET INCOMING/ (OUTGOING) RESOURCES

Net resources are stated after charging

	Charity	
	31.3.21	31.3.20
	£	£
Auditors' remuneration – audit services	15,000	15,000
Depreciation – owned assets	111,343	95,577
Operating lease payments	151,970	144,503
Government grants	<u>543,467</u>	<u>-</u>

	Group	
	31.3.21	31.3.20
	£	£
Auditors' remuneration – Groundwork London	15,000	15,000
Auditor's remuneration – Groundwork South	7,500	7,500
Depreciation – owned assets	150,466	134,700
Amortisation of intangible fixed assets	13,889	13,889
Operating lease payments	235,983	223,634
Government grants	<u>1,064,468</u>	<u>-</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

No payments or remuneration were made to the Trustees during this year or the previous year. Reimbursement of trustee expenses incurred was £nil (2020: £nil).

11. STAFF COSTS

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

	Charity	
	31.3.21	31.3.20
Direct charitable	246	243
Fundraising	7	7
Governance	2	2
	<u>255</u>	<u>252</u>

	Group	
	31.3.21	31.3.20
Direct charitable	362	359
Fundraising	7	7
Governance	2	2
	<u>371</u>	<u>368</u>

Staff costs were as follows

	Charity	
	31.3.21	31.3.20
	£	£
Wages and salaries	7,211,711	7,212,838
Social security costs	635,202	623,822
Pension costs	566,669	543,402
	<u>8,413,582</u>	<u>8,380,062</u>

	Group	
	31.3.21	31.3.20
	£	£
Wages and salaries	9,727,204	9,728,331
Social security costs	801,228	789,848
Pension costs	808,432	785,165
	<u>11,336,864</u>	<u>11,303,344</u>

The company operated a defined contribution pension scheme. The assets of the scheme were held separately from those of the company in an independently administered fund. Contributions payable for the year were charged to the Statement of Financial Activities.

	Charity	
	31.3.21	31.3.20
	£	£
Amount of outstanding pension contributions	<u>3,040</u>	<u>3,451</u>

	Group	
	31.3.21	31.3.20
	£	£
Amount of outstanding pension contributions	<u>27,794</u>	<u>28,205</u>

11. STAFF COSTS – cont'd

Number of employees whose emoluments (excluding pension contributions) exceeded £60,000 in the year:

		Charity and Group
	31.3.21	31.3.20
£60,000 - £69,999	1	-
£70,000 - £79,999	1	2
£80,000 - £89,999	3	1
£90,000 - £99,999	-	1
	<u>5</u>	<u>4</u>

The total employer's contributions paid to defined contribution schemes for the above higher paid employees was £27,775 (2020 - £23,362). The key management personnel of the charity, the Trust, comprise the Executive Director, Director Finance & Corporate Services, Director Youth, Employment & Skills Training and Director Communities & Environmental Services. The total employee benefits of the key management personnel of the Trust were £497,670 (2020 £456,466).

12. TANGIBLE FIXED ASSETS – Group

	Freehold land and buildings £	Building improve- ments £	Fixtures and fittings £	Computer Equip't £	Motor vehicles £	Floating Classroom £
COST						
At 1 st April 2020	2,603,300	78,334	242,478	172,598	8,104	88,350
Additions	-	-	64,735	48,027	-	-
Disposals	-	-	(8,635)	(19,592)	(5,398)	-
At 31 st March 2021	<u>2,603,300</u>	<u>78,334</u>	<u>298,578</u>	<u>201,063</u>	<u>2,706</u>	<u>88,350</u>
DEPRECIATION						
At 1 st April 2020	456,339	40,967	151,194	124,656	8,104	13,950
Disposals	-	-	(8,635)	(19,562)	(5,398)	-
Charge for year	<u>36,900</u>	<u>15,722</u>	<u>40,430</u>	<u>33,584</u>	<u>-</u>	<u>4,650</u>
At 31 st March 2020	<u>493,293</u>	<u>56,689</u>	<u>182,899</u>	<u>138,678</u>	<u>2,706</u>	<u>18,600</u>
NET BOOK VALUE						
At 31 st March 2021	<u>2,110,061</u>	<u>21,645</u>	<u>115,679</u>	<u>62,385</u>	<u>-</u>	<u>69,750</u>
At 31 st March 2020	<u>2,146,961</u>	<u>37,367</u>	<u>91,284</u>	<u>47,942</u>	<u>-</u>	<u>74,400</u>

12. TANGIBLE FIXED ASSETS – Group

	Total Tangible Fixed Assets £
Cost	
At 1 April 2020	3,193,164
Additions	112,762
Disposals	(33,595)
At 31 March 2021	<u>3,272,331</u>
Depreciation	
At 1 April 2020	795,210
Disposals	(33,595)
Charge for year	(131,196)
At 31 March 2021	<u>892,811</u>
Net Book Value	
At 31 March 2021	<u>2,379,520</u>
At 31 March 2020	<u>2,397,954</u>

12. TANGIBLE FIXED ASSETS – Charity

	Freehold land and buildings £	Building improve- ments £	Fixtures and fittings £	Computer Equip't £	Motor vehicles £	Total £
COST						
At 1 st April 2020	1,620,000	78,334	163,505	134,410	-	1,996,249
Additions	-	-	64,735	48,027	-	112,762
Disposals	-	-	-	-	-	-
At 31 st March 2021	<u>1,620,000</u>	<u>78,334</u>	<u>228,240</u>	<u>182,437</u>	<u>-</u>	<u>2,109,011</u>
DEPRECIATION						
At 1 st April 2020	431,139	40,887	84,422	88,582	-	645,030
Disposals	-	-	-	-	-	-
Charge for year	<u>28,500</u>	<u>15,722</u>	<u>35,399</u>	<u>31,722</u>	<u>-</u>	<u>111,343</u>
At 31 st March 2021	<u>459,639</u>	<u>56,609</u>	<u>119,821</u>	<u>120,304</u>	<u>-</u>	<u>756,373</u>
NET BOOK VALUE						
At 31 st March 2021	<u>1,160,361</u>	<u>21,725</u>	<u>108,419</u>	<u>62,133</u>	<u>-</u>	<u>1,352,638</u>
At 31 st March 2020	<u>1,188,861</u>	<u>37,447</u>	<u>79,083</u>	<u>45,828</u>	<u>-</u>	<u>1,351,219</u>

13. INTANGIBLE FIXED ASSETS – Group

	Software £
Cost	
At 1 April 2020	49,720
Subsidiary intangible assets at fair value	-
Disposals	-
At 31 March 2021	<u>49,720</u>
Depreciation	
At 1 April 2020	41,666
Disposals	-
Charge for year	8,054
At 31 March 2021	<u>49,720</u>
Net Book Value	
At 31 March 2021	-
At 31 March 2020	<u>8,054</u>

14. INVESTMENT PROPERTIES

	Group and charity			
	Freehold property	Short leasehold £	Long leasehold £	Total £
Fair Value at 1 st April 2020	1,875,000	81,764	810,000	2,766,764
Net loss on revaluation	-	(19,717)	-	(19,717)
	<u>375,000</u>	<u>-</u>	<u>440,000</u>	<u>815,000</u>
Fair Value at 31st March 2021	<u>2,250,000</u>	<u>62,047</u>	<u>1,250,000</u>	<u>3,562,047</u>

Groundwork London operates out of a 21 Morley Street. This property is also used for investment income. It was determined during the 2019/20 year that 50% of the property should be treated as an investment property in accordance with SORP FRS 102. An external valuation of £1,875,000 from 2016 was assigned to the investment element of this property. The investment element of the property has been subsequently revalued at 31st March 2021 by Avison Young, Chartered Surveyors, with a valuation of £2.25m.

The short and long leasehold investment properties are held in the UK. The historical cost of the properties is £373,000. Artichoke Mews was revalued for a sum of £1.25m on 31st March 2021 by Avison Young, Chartered Surveyors, on an open market value in accordance with the guidelines issued by the Royal Institute of Chartered Surveyors.

The above represents investment at fair value in the following properties which were transferred from Groundwork Southwark and Lambeth on 1 November 2007 as follows:

Artichoke Mews (125 year lease from 1 July 1990) - £1.25m. Historical cost £183,000.

Denmark Hill (41 year lease from 5 June 1983) - £62,047. Historical cost £190,000.

15. SUBSIDIARY COMPANIES

	31.3.21	Charity 31.3.20
	£	£
Shares in Group Undertakings	2	2

The charity holds 100% of the issued ordinary share capital of Groundwork Environmental Services (West London) Limited (company number 03810135) and Groundwork Environmental Services (East London)

Limited (company number 04308777). Both companies are incorporated in England and Wales. Both companies were dormant during the year.

On 14th March 2017 Groundwork London became the sole member of The Groundwork South Trust Ltd, a company registered in England and Wales (registered co number 01982077, registered charity no. 293705) for no consideration and the Group has consolidated its accounts from that date.

The separate accounts for The Groundwork South Trust Limited show the following for the year ended 31 March 2021.

	31.3.21	31.3.20
	£	£
Total income for the year	4,707,895	6,004,533
Total expenditure for the year	4,698,943	5,924,996
Total surplus / deficit for the year	8,952	79,537
Aggregate amount of assets	1,769,934	1,937,343
Aggregate amount of liabilities	2,245,619	2,421,980
Aggregate deficit on unrestricted funds	(475,685)	(484,637)

16. NON CURRENT ASSETS

	Charity	
	31.3.21	31.3.20
	£	£
Loans to subsidiary undertakings	15,948	365,948
	<u>15,948</u>	<u>365,948</u>

Loans to The Groundwork South Trust Ltd are not expected to be repaid within one year. Interest is charged to subsidiary undertakings at 2.85% above the Bank of England base rate, monthly in arrears. The freehold property of the charity has been pledged as security on these funds.

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	31.3.21	31.3.20	31.3.21	31.3.20
			£	£
Trade debtors	3,708,870	6,646,069	3,507,315	6,533,604
Prepayments and accrued income	1,507,900	1,122,931	1,617,363	1,091,821
Other debtors	3,631	5,334	1,015	4,589
	<u>5,220,401</u>	<u>7,774,334</u>	<u>5,125,693</u>	<u>7,630,014</u>

18. CURRENT ASSETS INVESTMENTS

	Group and Charity	
	31.3.21	31.3.20
	£	£
Quoted market price at start of year	2,742,780	2,938,183
Additions in year at cost	-	-
Disposals in year	(270,783)	-
Net (losses) / gains on cash investments	<u>341,196</u>	<u>(195,403)</u>
Quoted market price at year end	<u>2,813,193</u>	<u>2,742,780</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	31.3.21	31.3.20	31.3.21	31.3.20
			£	£
Trade Creditors	555,487	1,065,524	606,825	1,170,405
Taxation and social security	1,080,615	1,025,348	976,447	889,113
Deferred income	6,604,389	5,887,160	4,841,717	4,488,654
Other creditors	113,705	192,436	100,947	104,436
	<u>8,354,196</u>	<u>8,170,468</u>	<u>6,525,936</u>	<u>6,652,608</u>

20. DEFERRED INCOME

Movements in group deferred income during the year were as follows:

	Group		Group	
	Balance at 1 April 2020	Amount release to incoming resources	Amount deferred in the year	Balance at 31 March 2021
	£		£	£
Income from charitable activities	<u>5,777,392</u>	<u>5,777,392</u>	<u>6,604,389</u>	<u>6,604,389</u>

Net incoming group resources as shown in the Statement of Financial Activities result from the following:

	Group		
	Income received	Transferred from deferred income	Net income
	£	£	£
Income from charitable activities	<u>27,217,043</u>	<u>(6,604,389)</u>	<u>20,612,654</u>

Movements in group deferred income during the year ended at 31st March 2020 were as follows:

	Group		Group	
	Balance at 1 April 2019	Amount release to incoming resources	Amount deferred in the year	Balance at 31 March 2020
	£		£	£
Income from charitable activities	<u>3,434,215</u>	<u>3,434,215</u>	<u>2,343,177</u>	<u>5,777,392</u>

Net incoming group resources as shown in the Statement of Financial Activities result from the following:

	Group		
	Income received	Transferred from deferred income	Net income
	£	£	£
Income from charitable activities	<u>22,040,787</u>	<u>2,343,177</u>	<u>24,383,964</u>

Movements in charity deferred income during the year were as follows:

	Balance at 1 April 2020	Amount release to incoming resources	Amount deferred in the year	Charity Balance at 31 March 2021
	£		£	£
Income from charitable activities	4,488,654	4,488,654	4,841,717	4,841,717

Net incoming charity resources as shown in the Statement of Financial Activities result from the following:

	Income received	Transferred to deferred income	Charity Net income
	£	£	£
Income from charitable activities	21,555,631	(4,841,717)	16,713,914

Movements in charity deferred income during the year ended at 31st March 2020 were as follows:

	Balance at 1 April 2019	Amount release to incoming resources	Amount deferred in the year	Charity Balance at 31 March 2020
	£		£	£
Income from charitable activities	2,787,475	2,787,475	1,701,179	4,488,654

Net incoming charity resources as shown in the Statement of Financial Activities result from the following:

	Income received	Transferred from deferred income	Charity Net income
	£	£	£
Income from charitable activities	21,529,418	(1,701,179)	19,828,239

21. COMMITMENTS UNDER OPERATING LEASES

Future minimum lease payments under non-cancellable operating leases for each of the following periods:

	Group 31.3.21	Group 31.3.20	Charity 31.3.21	Charity 31.3.20
	£	£	£	£
Not later than one year	196,075	218,156	114,769	136,850
Later than one year and not later than five years	524,279	625,473	218,182	319,376
Later than five years	33,860	33,860	-	-

Future minimum lease receipts under non-cancellable operating leases for each of the following periods:

	Group and Charity	
	31.3.21	31.3.20
	£	£
Not later than one year	264,464	258,891
Later than one year and not later than five years	348,257	609,721
Later than five years	-	-

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS – Group

	Unrestricted funds	Restricted funds	31.3.21 Total funds
	£	£	£
Fixed assets	2,379,520	-	2,379,520
Investment Properties	2,250,000	1,312,047	3,562,047
Current assets	12,931,275	649,592	13,580,867
Current liabilities	(7,954,603)	(399,593)	(8,535,196)
	<u>9,606,192</u>	<u>1,562,046</u>	<u>11,168,238</u>

	Unrestricted funds	Restricted funds	31.3.20 Total funds
	£	£	£
Fixed assets	2,406,008	-	2,406,008
Investment Properties	1,875,000	891,764	2,766,764
Current assets	12,248,094	691,833	13,180,668
Current liabilities	(7,733,634)	(436,834)	(8,411,209)
	<u>8,795,468</u>	<u>1,146,763</u>	<u>9,942,231</u>

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS – Charity

	Unrestricted funds	Restricted funds	31.3.21 Total funds
	£	£	£
Fixed assets	1,352,638	-	1,352,638
Non-current assets	15,948	-	15,948
Investment Properties	2,250,000	1,312,047	3,562,047
Current assets	12,746,205	493,021	13,239,226
Current liabilities	(6,282,914)	(243,022)	(6,525,936)
	<u>10,081,877</u>	<u>1,562,046</u>	<u>11,643,923</u>

	Unrestricted funds	Restricted funds	31.3.20 Total funds
	£	£	£
Fixed assets	1,351,219	-	1,351,219
Non-current assets	351,157	14,791	365,948
Investment Properties	1,875,000	891,764	2,766,764
Current assets	12,086,445	509,100	12,595,545
Current liabilities	(6,383,716)	(268,892)	(6,652,608)
	<u>9,280,105</u>	<u>1,146,763</u>	<u>10,426,868</u>

23. THE FUNDS OF THE GROUP - 2021

	Brought forward 1 April 2020	Incoming Resources	Resources Expended	Net gains / (losses) on invest- ments	Transfer s In / (Out)	Carried Forward 31 March 2021
Unrestricted Funds						
General funds	6,116,964	12,998,192	(12,946,473)	341,196	(411,556)	6,098,323
Groundwork South	(484,637)	2,072,063	(2,159,449)	-	96,338	(475,685)
Inter Group trans.	-	(814,701)	814,701	-	-	-
Total General funds	5,632,327	14,255,554	(14,291,221)	341,196	(315,218)	5,622,638
Designated funds	2,145,361	-	-	-	-	2,145,361
Fair value reserve	1,017,780	-	-	375,000	445,413	1,838,193
Total Unrestricted Funds	8,795,468	14,255,554	(14,291,221)	716,196	130,195	9,606,192
Restricted Funds						
Revaluation fund	659,540	-	-	420,283	-	1,079,823
Property fund	487,223	-	(5,000)	-	-	482,223
Programme funds	-	4,069,463	(4,035,606)	-	(33,857)	-
Groundwork South	-	2,635,832	(2,539,494)	-	(96,338)	-
Total Restricted Funds	1,146,763	6,705,295	(6,580,100)	420,283	(130,195)	1,562,046
Total Funds	9,942,231	20,960,849	(20,871,321)	1,136,479	-	11,168,238

23. THE FUNDS OF THE GROUP – 2020

	Brought forward 1 April 2019	Incoming Resources	Resources Expended	Net gains / (losses) on invest- ments	Transfer s In / (Out)	Carried Forward 31 March 2020
Unrestricted Funds						
General funds	5,623,024	16,787,447	(16,373,372)	-	79,865	6,116,964
Groundwork South	(564,174)	3,446,814	(3,405,116)	-	37,839	(484,637)
Inter Group trans.	-	(1,488,884)	1,488,884	-	-	-
Total General funds	5,058,850	18,745,377	(18,289,604)	-	117,704	5,632,327
Designated funds	2,155,361	-	-	-	(10,000)	2,145,361
Fair value reserve	1,213,183	-	-	(195,403)	-	1,017,780
Total Unrestricted Funds	8,427,394	18,745,377	(18,289,604)	(195,403)	107,704	8,795,468
Restricted Funds						
Revaluation fund	679,099	-	-	(19,559)	-	659,540
Property fund	492,223	-	(5,000)	-	-	487,223
Programme funds	-	3,484,713	(2,519,880)	-	(37,839)	-
Groundwork South	-	2,557,719	(3,414,848)	-	(69,865)	-
Total Restricted Funds	1,171,322	6,042,432	(5,939,728)	(19,559)	(107,704)	1,146,763
Total Funds	9,598,716	24,787,809	(24,229,332)	(214,962)	-	9,942,231

THE FUNDS OF THE CHARITY -2021

	Brought forward at 1 April 2020	Incoming Resources	Resources Expended	Net gains / (losses) on invest- ments	Transfe rs In / (Out)	Carried Forward at 31 March 2021
	£	£	£	£	£	£
Unrestricted Funds						
General funds	6,116,964	12,998,192	(12,946,473)	341,196	(411,556)	6,098,323
Designated funds	2,145,361	-	-	-	-	2,145,361
Fair value reserve	1,017,780	-	-	375,000	445,413	1,838,193
Total Unrestricted Funds	9,280,105	12,998,192	(12,946,473)	716,196	33,857	10,081,877
Restricted Funds						
Revaluation fund	659,540	-	-	420,283	-	1,079,823
Property fund	487,223	-	(5,000)	-	-	482,223
Programme funds	-	4,069,463	(4,035,606)	-	(33,857)	-
Total Restricted Funds	1,146,763	4,069,463	(4,040,606)	420,283	(33,857)	1,562,046
Total Funds	10,426,868	17,067,655	(16,987,079)	1,136,479	-	11,643,923

THE FUNDS OF THE CHARITY -2020

	Brought forward at 1 April 2019	Incoming Resources	Resources Expended	Net gains / (losses) on invest- ments	Transfe rs In / (Out)	Carried Forward at 31 March 2020
	£	£	£	£	£	£
Unrestricted Funds						
General funds	5,623,024	16,787,447	(16,373,372)	-	79,865	6,116,964
Designated funds	2,155,361	-	-	-	(10,000)	2,145,361
Fair value reserve	1,213,183	-	-	(195,403)	-	1,017,780
Total Unrestricted Funds	8,991,568	16,787,447	(16,373,372)	(195,403)	69,865	9,280,105
Restricted Funds						
Revaluation fund	679,099	-	-	(19,559)	-	659,540
Property fund	492,223	-	(5,000)	-	-	487,223
Programme funds	-	3,484,713	(3,414,848)	-	(69,865)	-
Total Restricted Funds	1,171,322	3,484,713	(3,419,848)	(19,559)	(69,865)	1,146,763
Total Funds	10,162,890	20,272,160	(19,793,220)	(214,962)	-	10,426,868

24. THE FUNDS OF THE CHARITY

Unrestricted Funds

General Funds

Funds available are sufficient to permit the company to continue in operation in the short term given the continued support of the funders. Should this support not continue in the longer term, further financial support would need to be sought to replace it. Where funds which are regarded as restricted are awarded based on outputs rather than actual costs any funds not applied against directly identified costs are transferred at the year end to unrestricted funds to cover overhead costs not directly recharged. Income that has not been fully delivered or earned is deferred.

Designated Funds

The Designated Fund represents funds transferred from the general fund for the purpose of Groundwork London development. This includes the cost of the Morley Street property less the property depreciation charges.

Fair Value Reserve

The Fair Value Reserve is a reserve for the unrealised gains and losses on the charity's unrestricted fixed asset investments and investment property revaluations.

Groundwork South

These financial statements include the results of The Groundwork South Trust Ltd (registered co number 01982077, registered charity no. 293705) following Groundwork London becoming sole company member on 14th March 2017. The funds held in the group accounts represent the general funds of The Groundwork South Trust Ltd at 31st March 2021. Funds are transferred from unrestricted to restricted at the year-end on the basis that no restrictions exist on the income and expenditure recognised.

Restricted Funds

Revaluation Fund

A revaluation fund is required by the Companies Act 2006 where investment properties are revalued subsequent to their acquisition, or in the case of assets held prior to the mergers, transfer to the control of Groundwork London. The balance shown on the revaluation reserve in the accounts, represents the difference between the revaluation of the investment in the Denmark Hill property (in 2003) and its original cost.

Property Fund

The investment property fund represents the valuation of the properties. The properties are the public house at Denmark Hill Station, the workshops and flats at Artichoke Mews and the property at Lower Clapton Road.

The properties at Denmark Hill and Artichoke Mews are intended to be set aside so that the returns are used for the day to day expenses of the charity in relation to projects undertaken within the London Borough of Southwark. The property at Lower Clapton Road is a freehold property transferred from Groundwork East London. The trustees have set aside an amount equivalent to the value of the investment properties as designated funds. The revaluation surplus following the most recent valuation of the properties for Denmark Hill is held in a separate Revaluation Fund.

The investment income less the investment management costs are allocated to a "Property" restricted fund.

Programme Funds

Grants, which are received for specific programmes (Communities & Young People, Urban Landscapes and Open Space, Employment & Skills Training and Environmental Services), are accounted for as restricted funds. The balances on restricted funds arise from grants received for these programmes on which some expenditure is still to be incurred in the coming financial year. Where funds which are regarded as restricted are awarded based on outputs rather than actual costs, any funds not applied against directly identified costs are transferred at the year end to unrestricted funds to cover overhead costs not directly recharged. There were no restricted balances on these grant funded programmes at 31st March 2021.

Groundwork South

Income which is received for specific programmes (Greener Living and Working, Youth and Employment, Parks and Open Spaces) are accounted for as restricted funds. These financial statements include the results for the year of The Groundwork South Trust Ltd (registered co number 01982077, registered charity no. 293705) following Groundwork London becoming sole company member on 14th March 2017. The balance of funds in the group accounts at 31st March 2021 represent the total funds held by The Groundwork South Trust Ltd at this date.

25. RECONCILIATION OF CONSOLIDATED NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group		Charity
	31.3.21	31.3.20	31.3.21
	£	£	31.3.20
Net movement in funds	1,226,007	343,515	1,217,055
Investment income	(353,741)	(403,845)	(353,741)
Depreciation	139,250	148,589	111,343
Decrease/(Increase) in debtors	2,553,934	(1,957,339)	2,504,321
Net loss/ (gains) on cash investments	(1,136,480)	214,962	(1,136,479)
(Decrease)/ Increase in creditors	183,728	1,725,292	(126,672)
Cash flows from operating activities	2,612,698	71,174	2,215,827

26. Analysis of changes in net debt

	Group		
	31.3.20	Cash flows	Other Non- Cash change
	£	£	£
Cash and Cash equivalents			
Cash	2,422,813	3,124,460	-
Overdrafts	-	-	-
Cash equivalents	-	-	-
	2,422,813	3,124,460	-
Borrowings			
Debt due within 1 year	-	-	-
Debt due after 1 year	-	-	-
	-	-	-
Total	2,422,813	3,124,460	-

	Charity		
	1.4.20	Cash flows	Other Non- Cash change
	£	£	£
Cash and Cash equivalents			
Cash	2,222,751	3,077,589	-
Overdrafts	-	-	-
Cash equivalents	-	-	-
	2,222,751	3,077,589	-

26. Analysis of changes in net debt – cont'd

	At 1 Apr 2020	Cash flows	Other Non-Cash change	At 31.3.21
	£	£	£	£
Borrowings				
Debt due within 1 year	-	-	-	-
Debt due after 1 year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	2,222,751	3,077,589	-	5,300,340

27. FINANCIAL INSTRUMENTS

	31.3.21 £	Charity 31.3.20 £
Financial Assets		
Financial assets measured at fair value through income and expenditure	2,813,193	2,742,780
Financial assets that are debt instruments measured at amortised cost	8,808,670	8,760,944
	<u>11,621,863</u>	<u>11,503,724</u>
Financial Liabilities		
Financial liabilities measured at amortised cost	(1,684,219)	(2,163,954)
	<u>9,937,644</u>	<u>9,339,770</u>
	31.3.21 £	31.3.20 £
Financial Assets		
Financial assets measured at fair value through income and expenditure	2,813,193	2,742,780
Financial assets that are debt instruments measured at amortised cost	9,259,774	9,074,216
	<u>12,072,967</u>	<u>11,816,996</u>
Financial Liabilities		
Financial liabilities measured at amortised cost	(2,223,771)	(2,393,076)
	<u>9,849,226</u>	<u>9,423,920</u>

Financial assets measured at fair value through income and expenditure comprise fixed asset investments in UK listed investments.

Financial assets measured at amortised cost comprise all cash and cash equivalent balances and debtor balances, excluding prepayments and accrued income.

Financial liabilities measured at amortised cost comprise all creditor balances except deferred income.

28. CAPITAL COMMITMENTS

At 31st March 2021 there were no capital commitments or contingent liabilities for Groundwork London.

As part of the conditions of a grant agreement between Groundwork South and the Football Foundation in respect of Saltmill Pitch in Cornwall, Groundwork South is required to maintain the pitch to the FA standard. As well as annual maintenance inspections, the pitch had its routine, three year inspection in 2017 and, following some repairs, was awarded a further three years registration. The pitch was due to be inspected in 2020 but, as a result of COVID-19-19 lockdowns, this was extended until May 2021.

Groundwork South's Board agreed to commence the works in summer 2021 and a Contractor has been appointed to deliver the works with a contracted value of £193k.

A provision has not been made in the 2020/21 accounts as the liability is not due in this financial year.

29. RELATED PARTY TRANSACTIONS

Transactions between the charity and its wholly controlled subsidiary are not disclosed, as permitted by the exemptions set out in Section 33.1A of FRS 102 (Related Party Disclosures).

30. ACKNOWLEDGEMENTS

Groundwork London thanks all its supporters. We have been asked specifically to acknowledge the support of the following funders

Source	Project
BIG Lottery	BBO ILM North
BIG Lottery	BBO ILM South
BIG Lottery	BBO Coast to Capital