

# **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)

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# 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 31<sup>st</sup> 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 2<sup>nd</sup> 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 CO<sub>2</sub> 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 <sup>th</sup> 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:

<b>Co-opted</b>	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

<b>Groundwork UK nominee</b>	Marilyn Baxter	appointed	20/03/2017
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<b>Local Authority nominee</b>	Susan Wise	resigned	23/09/2024
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<b>Company Secretary</b>	Stuart Harrison
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### 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 8<sup>th</sup> May 2001 under the name Groundwork London Partnership and changed its name by Special Resolution to Groundwork London on 10<sup>th</sup> September 2007. On 1<sup>st</sup> November 2007 Groundwork London merged with Groundwork Southwark & Lambeth, Groundwork South East London and Groundwork Merton. On 1<sup>st</sup> 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 1<sup>st</sup> 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 14<sup>th</sup> 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.



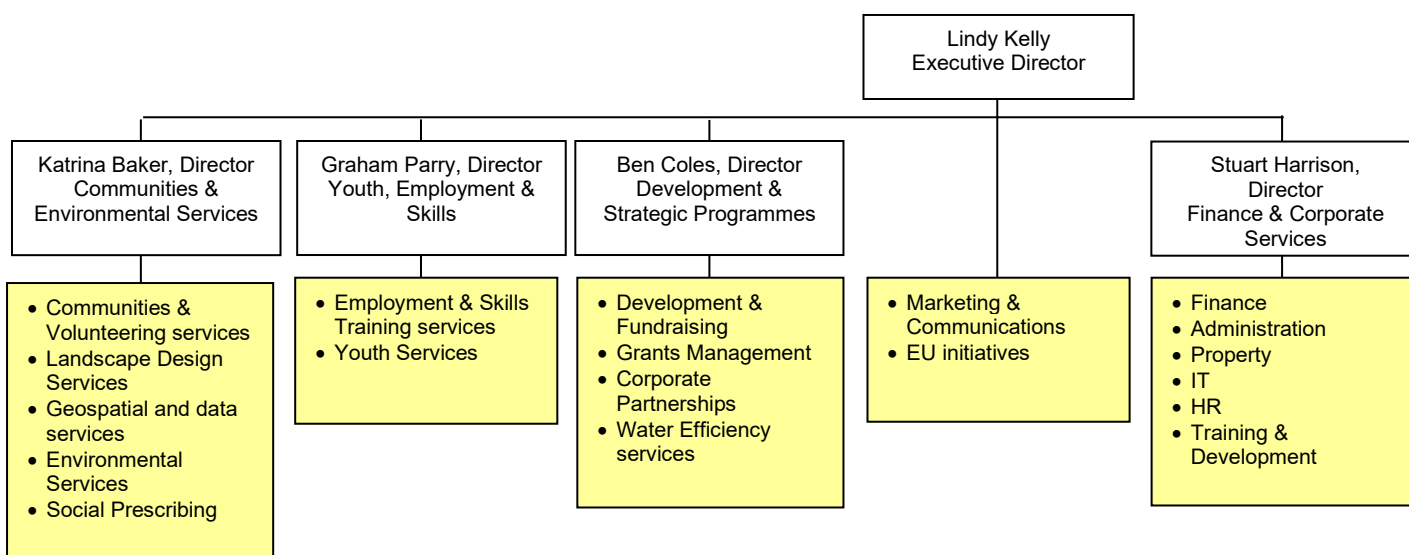
## Management

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.

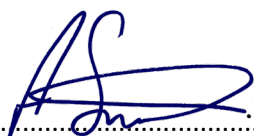
The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## 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: 23<sup>rd</sup> 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](http://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 31<sup>st</sup> March 2024, incorporating the Income and Expenditure account

		Unrestricted Funds	Restricted Funds	31.3.24 Total Funds	31.3.23 Total Funds
	Notes	£	£	£	£
<b>INCOME</b>					
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
<b>Total Income</b>		<u>16,520,928</u>	<u>15,895,193</u>	<u>32,416,121</u>	<u>33,160,004</u>
<b>EXPENDITURE</b>					
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
<b>Total expenditure</b>		<u>16,222,463</u>	<u>16,129,403</u>	<u>32,351,866</u>	<u>32,922,399</u>
<b>Net income before gains/ (losses) on investments</b>		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)
<b>Net income</b>		<u>450,873</u>	<u>(253,927)</u>	<u>196,946</u>	<u>(36,962)</u>
Transfers between funds	23	(229,210)	229,210	-	-
<b>Net movement in funds</b>		<u>221,663</u>	<u>(24,717)</u>	<u>196,946</u>	<u>(36,962)</u>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<u>10,302,618</u>	<u>1,512,612</u>	<u>11,815,230</u>	<u>11,852,192</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	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				
<b>INCOME</b>					
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
<b>Total Income</b>		<b>11,645,807</b>	<b>14,388,958</b>	<b>26,034,765</b>	<b>27,319,408</b>
<b>EXPENDITURE</b>					
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
<b>Total expenditure</b>		<b>11,362,341</b>	<b>14,649,853</b>	<b>26,012,194</b>	<b>27,293,076</b>
<b>Net income before gains/ (losses) on investments</b>		<b>283,466</b>	<b>(260,895)</b>	<b>22,571</b>	<b>26,332</b>
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)
<b>Net income</b>		<b>435,874</b>	<b>(280,612)</b>	<b>155,262</b>	<b>(248,235)</b>
Transfers between funds	23	(255,895)	255,895	-	-
<b>Net movement in funds</b>		<b>179,979</b>	<b>(24,717)</b>	<b>155,262</b>	<b>(248,235)</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		10,375,124	1,512,612	11,887,736	12,135,971
<b>TOTAL FUNDS CARRIED FORWARD</b>	23	<b>10,555,103</b>	<b>1,487,895</b>	<b>12,042,998</b>	<b>11,887,736</b>

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

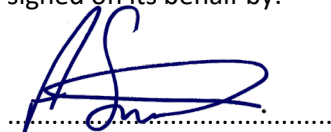
(A company limited by guarantee)

Registered Number: 04212532

## Consolidated Balance Sheet as at 31st March 2024

		31.3.24	31.3.23
	Notes	£	£
<b>FIXED ASSETS</b>			
Tangible assets	12	2,188,622	2,217,379
Intangible assets	13	-	-
Investment properties	14	3,502,896	3,522,613
<b>TOTAL FIXED ASSETS</b>		5,691,518	5,739,992
<b>CURRENT ASSETS</b>			
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
<b>TOTAL CURRENT ASSETS</b>		15,649,754	15,598,163
<b>LIABILITIES</b>			
Creditors falling due within one year	19	(9,329,096)	(9,522,925)
<b>NET CURRENT ASSETS</b>		6,320,658	6,075,238
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		12,012,176	11,815,230
<b>NET ASSETS</b>		12,012,176	11,815,230
<b>THE FUNDS OF THE GROUP</b>	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
<b>TOTAL GROUP FUNDS</b>		12,012,176	11,815,230

The financial statements were approved by the Board of Trustees on 23<sup>rd</sup> 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 £
<b>FIXED ASSETS</b>			
Tangible assets	12	1,207,307	1,221,598
Investment properties	14	3,502,896	3,522,613
<b>TOTAL FIXED ASSETS</b>		4,710,203	4,744,211
<b>NON CURRENT ASSETS</b>	16	-	-
<b>CURRENT ASSETS</b>			
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
<b>TOTAL CURRENT ASSETS</b>		13,890,448	14,236,044
<b>LIABILITIES</b>			
Creditors falling due within one year	19	(6,557,653)	(7,092,519)
<b>NET CURRENT ASSETS</b>		7,332,795	7,143,525
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		12,042,998	11,887,736
<b>NET ASSETS</b>		12,042,998	11,887,736
<b>THE FUNDS OF THE CHARITY</b>	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
<b>TOTAL CHARITY FUNDS</b>		12,042,998	11,887,736

The financial statements were approved by the Board of Trustees on 23<sup>rd</sup> 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 £
<b>Cash flows from operating activities</b>	25	(2,606,465)	(1,667,874)
<b>Cash flow from investing activities</b>			
Investment income received		398,994	418,874
Income from sale of investments		-	-
Purchase of fixed assets		(69,877)	(49,044)
<b>Net cash used in investing activities</b>		329,117	369,830
<b>Net Increase/(decrease) in cash and cash equivalents</b>		(2,277,348)	(1,298,044)
Cash and cash equivalents at the beginning of the year		4,852,338	6,150,382
<b>Cash and cash equivalents at the end of the year</b>		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	£	£
<b>Cash flows from operating activities</b>	25	(3,061,467)	(1,269,894)
<b>Cash flow from investing activities</b>			
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)
<b>Net cash used in investing activities</b>		329,117	375,009
<b>Net Increase/(decrease) in cash and cash equivalents</b>		(2,732,350)	(894,885)
Cash and cash equivalents at the beginning of the year		4,384,910	5,279,795
<b>Cash and cash equivalents at the end of the year</b>		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
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**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

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

	<b>Group</b>	
	<b>31.3.24</b>	<b>31.3.23</b>
	<b>£</b>	<b>£</b>
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

	<b>Charity</b>			
<b>Income was received for:</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>31.3.24</b>	<b>31.3.23</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
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>246,663</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>269,933</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:

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

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

Staff costs were as follows

	<b>Charity</b>	
	<b>31.3.24</b>	<b>31.3.23</b>
	<b>£</b>	<b>£</b>
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>

	<b>Group</b>	
	<b>31.3.24</b>	<b>31.3.23</b>
	<b>£</b>	<b>£</b>
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.

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

	<b>Group</b>	
	<b>31.3.24</b>	<b>31.3.23</b>
	<b>£</b>	<b>£</b>
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 £
<b>COST</b>						
At 1 <sup>st</sup> April 2023	2,603,300	99,266	298,578	250,107	2,706	88,350
Additions	-	-	19,701	50,176	-	-
Disposals	-	-	-	-	-	-
At 31 <sup>st</sup> 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>
<b>DEPRECIATION</b>						
At 1 <sup>st</sup> 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 31 <sup>st</sup> 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>
<b>NET BOOK VALUE</b>						
At 31 <sup>st</sup> 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 <sup>st</sup> 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

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

## 12. TANGIBLE FIXED ASSETS – Charity

	<b>Freehold land and buildings £</b>	<b>Building improve- ments £</b>	<b>Fixtures and fittings £</b>	<b>Computer Equip't £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>COST</b>						
At 1 <sup>st</sup> April 2023	1,620,000	99,266	228,240	231,481	-	2,178,987
Additions	-	-	19,701	50,176	-	69,877
Disposals	-	-	-	-	-	-
At 31 <sup>st</sup> 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>
<b>DEPRECIATION</b>						
At 1 <sup>st</sup> 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 <sup>st</sup> 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>
<b>NET BOOK VALUE</b>						
At 31 <sup>st</sup> 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 <sup>st</sup> 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 £
<b>Cost</b>	
At 1 April 2023	49,720
Subsidiary intangible assets at fair value	-
Disposals	-
At 31 March 2024	<u>49,720</u>
<b>Depreciation</b>	
At 1 April 2023	49,720
Disposals	-
Charge for year	-
At 31 March 2024	<u>49,720</u>
<b>Net Book Value</b>	
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 <sup>st</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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 14<sup>th</sup> 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.

	<b>31.3.24</b>	<b>31.3.23</b>
	<b>£</b>	<b>£</b>
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

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

There was no Loan outstanding with The Groundwork South Trust Ltd at 31<sup>st</sup> 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

	<b>Group</b>		<b>Charity</b>	
	<b>31.3.24</b>	<b>31.3.23</b>	<b>31.3.24</b>	<b>31.3.23</b>
			<b>£</b>	<b>£</b>
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

	<b>Group and Charity</b>	
	<b>31.3.24</b>	<b>31.3.23</b>
	<b>£</b>	<b>£</b>
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

	<b>Group</b>		<b>Charity</b>	
	<b>31.3.24</b>	<b>31.3.23</b>	<b>31.3.24</b>	<b>31.3.23</b>
			£	£
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:

	<b>Balance at 31.3.23</b>	<b>Amount release to incoming resources</b>	<b>Amount deferred in the year</b>	<b>Group Balance at 31.3.24</b>
	£		£	£
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:

	<b>Income received</b>	<b>Transferred from deferred income</b>	<b>Group Net income</b>
	£	£	£
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 31<sup>st</sup> March 2023 were as follows:

	<b>Balance at 31.3.22</b>	<b>Amount release to incoming resources</b>	<b>Amount deferred in the year</b>	<b>Group Balance at 31.3.23</b>
	£		£	£
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:

	<b>Income received</b>	<b>Transferred from deferred income</b>	<b>Group Net income</b>
	£	£	£
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:

	<b>Balance at 31.3.23</b>	<b>Amount release to incoming resources</b>	<b>Amount deferred in the year</b>	<b>Charity Balance at 31.3.24</b>
	<b>£</b>		<b>£</b>	<b>£</b>
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:

	<b>Income received</b>	<b>Transferred to deferred income</b>	<b>Charity Net income</b>
	<b>£</b>	<b>£</b>	<b>£</b>
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 31<sup>st</sup> March 2023 were as follows:

	<b>Balance at 1 April 2022</b>	<b>Amount release to incoming resources</b>	<b>Amount deferred in the year</b>	<b>Charity Balance at 31 March 2023</b>
	<b>£</b>		<b>£</b>	<b>£</b>
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:

	<b>Income received</b>	<b>Transferred from deferred income</b>	<b>Charity Net income</b>
	<b>£</b>	<b>£</b>	<b>£</b>
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:

	<b>31.3.24</b>	<b>Group 31.3.23</b>	<b>31.3.24</b>	<b>Charity 31.3.23</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
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:

	<b>Group and Charity</b>	
	<b>31.3.24</b>	<b>31.3.23</b>
	<b>£</b>	<b>£</b>
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

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>31.3.24 Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
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>

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>31.3.23 Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
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

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>31.3.24 Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
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>

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>31.3.23 Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
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
<b>Unrestricted Funds</b>						
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
<b>Restricted Funds</b>						
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
<b>Total Funds</b>	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
<b>Unrestricted Funds</b>						
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
<b>Restricted Funds</b>						
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
<b>Total Funds</b>	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
	£	£	£	£	£	£
<b>Unrestricted Funds</b>						
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
<b>Restricted Funds</b>						
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
<b>Total Funds</b>	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
	£	£	£	£	£	£
<b>Unrestricted Funds</b>						
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
<b>Restricted Funds</b>						
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
<b>Total Funds</b>	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 14<sup>th</sup> March 2017. The funds held in the group accounts represent the general funds of The Groundwork South Trust Ltd at 31<sup>st</sup> 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 31<sup>st</sup> 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 14<sup>th</sup> March 2017. The balance of funds in the group accounts at 31<sup>st</sup> 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
<b>Cash flows from operating activities</b>	<b>(2,606,465)</b>	<b>(1,667,874)</b>	<b>(3,061,467)</b>	<b>(1,269,894)</b>

## 26. Analysis of changes in net debt

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

	Charity		
	31.3.23	Cash flows	31.3.24
	£	£	£
<b>Cash and Cash equivalents</b>			
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 £
<b>Borrowings</b>				
Debt due within 1 year	-	-	-	-
Debt due after 1 year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<u>4,384,910</u>	<u>(2,732,350)</u>	<u>-</u>	<u>1,652,560</u>

## 27. FINANCIAL INSTRUMENTS

	<b>Charity</b>	
	<b>31.3.24</b>	<b>31.3.23</b>
	£	£
<b>Financial Assets</b>		
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
<b>Financial Liabilities</b>		
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>
	<b>31.3.24</b>	<b>31.3.23</b>
	£	£
<b>Financial Assets</b>		
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
<b>Financial Liabilities</b>		
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 31<sup>st</sup> 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.