

Groundwork Greater Manchester

Annual Report and Financial Statements 2022/23

Charity registration no. 1124508
Company registration no. 06543150

Registered Office
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TRUSTEES REPORT, INCORPORATING THE STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

The Board of Trustees presents its report for the year ended 31 March 2023. Statements about Groundwork (page 3), governance (page 7), objectives and public benefit (page 9), our plans for the future (page 14), financial review 2022-23 (page 16), advisors (page 36) and the details of the Board of Trustees, Committees and senior management team (page 37) form part of this report.

ABOUT GROUNDWORK GREATER MANCHESTER

Groundwork Greater Manchester is a registered charity which exists to create:

A Greener Fairer and Stronger Future for All People, Communities and Places in Greater Manchester

The people who live here, and the communities they make up, are unique and inspiring. They're passionate about their home, which is exactly why they tell us they want to make it even better!

Our core team of over 100 people, plus sessional staff and associates, supports individuals to fulfil their potential, communities to become stronger, and together, we make spaces greener and more resilient to the effects of climate change. In 2022/23 we delivered programmes to a value of nearly £6m and benefited more than 20,000 people.

The focus of our work is in Greater Manchester, but we also deliver in parts of Lancashire, and in the wider North West where we have agreements with other Groundwork Trusts. Our head office is at Trafford Ecology Park, a designated local nature reserve and Site of Biological Importance - a green oasis in the heart of Europe's largest industrial estate. We also have office bases and depots at Birchcroft, just outside Ashton under Lyne and Hamer Vale in Rochdale, as well as numerous project delivery sites around Greater Manchester.

We organise our work around the themes of People, Place and Communities, delivering services in 6 key areas:

- > Community engagement, involvement & development
- > Skills & training for employment & green careers
- > Services for young people
- > Domestic energy advice and retrofit
- > Landscape design, build and maintenance
- > Net zero support for businesses



TRUSTEES REPORT, INCORPORATING THE STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

We are driven by our values which are embedded in the way we operate and the decisions we take every day.

GROUNDWORK
GREATER MANCHESTER

OUR VALUES

Our work is underpinned by 3 key principles:

- > Collaborating in meaningful partnerships and relationships
- > Living our values and being a responsible organisation
- > Listening to those we support and acting upon what we learn



Groundwork Greater Manchester is a member of the Federation of Groundwork Trusts which operate throughout England, Wales and Northern Ireland, working to the shared aspirations and common goals set out in the Groundwork 2020 -23 vision (under review).

Locally our commitments are as follows:

For People we will...

- > Support more people to move out of poverty
- > Improve life chances & well-being for those who are, or feel marginalised
- > Support more people to take action on climate and nature as individuals
- > Support people to be better equipped to access jobs, particularly greener jobs
- > Support people to have a stronger voice in places and on issues which matter to them

For Communities we will....

- > Involve more people in sustained collective action for climate & nature
- > Improve skills and capacity within communities to take action on issues which matter to them, both now & in the future
- > Support the development of stronger community connections & support networks for individuals and groups
- > Connect people and communities better with nature

For Places we will...

- > Co-create higher quality outdoor environments in which to work, learn, play and connect
- > Design nature-friendly, bio-diverse and climate resilient neighbourhoods
- > Bring empty properties back into use to provide affordable, energy efficient accommodation for those that need it most
- > Support local businesses to reduce their environmental impact and to increase their commitments to Greater Manchester's people, communities and places

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All our work is delivered within the framework of our ISO9001 and ISO14001 accredited Quality and Environmental Management System.

Our work is designed to address the needs of all sections of the community and we provide equal access to our services regardless of people's backgrounds, circumstances or characteristics. We monitor levels of diversity within our staff team to strive to reflect the communities of which we are a part and regularly gather feedback from colleagues about our culture and employment practices.

As a charity dedicated to supporting people who are vulnerable, we are committed to ensuring that our operations are delivered safely. We have robust and effective Safeguarding and Health and Safety policies and procedures. We are committed to ensuring that our staff, volunteers and service users are able to speak freely and safely about any concerns they have.

A headline review of our impact during 2022-23 can be found on page 12 and more information about us can be found by visiting <https://www.groundwork.org.uk/greatermanchester/>

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CHAIR'S STATEMENT

Groundwork Greater Manchester is now one of two Groundwork Trusts operating in the Northwest, as part of a wider national Federation of like-minded organisations. Over the past year we have continued to operate within an uncertain economic, political and funding climate. The people and communities we support are facing a cost of living and often mental well-being crisis, set within the context of a global climate and nature emergency.

Over the past 12 months we have continued to focus on supporting those who need our help the most whilst ensuring our organisational viability for the longer term. We are proud of the work we have undertaken and, in particular, our collaborative efforts with our partners in Greater Manchester. We have continued to strengthen our relationships across sectors, leading to the delivery of impactful programmes that:

- > Supported communities, such as Brinnington in Stockport, Hattersley in Tameside, and Deeplish in Rochdale, to build their capacity to take local action and make a difference in their neighbourhoods
- > Helped prison residents, armed forces veterans, young people and care leavers, to get ready for work and access jobs and training, especially focusing on opportunities in newer green careers
- > Greened Greater Manchester's community spaces, schools, health centres and businesses, making them better places for people and nature, and incorporating features which help adaptation to climate change.

The last 12 months has seen us focus on consolidation. We have maintained a staff team of around 100 permanent staff, a turnover of just over £6m and have again generated a small surplus which ensures a healthy level of reserves and on-going investment in the delivery of our services.

During that time, we have managed significant change in leadership, with myself coming in as Chair, following the sad illness and death of Tony Berry, and the departure of Mike Ormerod as Executive Director, replaced by Deborah Murray, our previous Deputy ED. The succession plans we had in place have ensured that the transition has been smooth and set us up strongly for the future.

As we have moved forward from merger in 2020, now as a fully united Groundwork Greater Manchester, we have spent time reflecting on our future plans, and as a result recently launched our 2023-6 Strategy. I believe this strategy provides a clear route map for the next 3 years, and achieves the right balance between work to assure our longer-term resilience, and targeted development activity which will allow us to deliver against our charitable objects and mission, whilst adapting to the economic, political and environmental challenges which we all face.

My fellow Trustees and I remain committed to continual improvement of our governance. We know that our foundations are strong and, through our latest good governance review, we will work towards best practice particularly in relation to our listening and learning culture, living our values and embedding diversity.

Finally, I would like to pay a personal tribute to all the dedicated and passionate staff at Groundwork Greater Manchester. They go above and beyond every single day to deliver on our mission and achieve positive outcomes for those people and places who need us the most.

Katrina Cunliffe
Chair - June 2023

TRUSTEES REPORT, INCORPORATING THE STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

HOW WE ARE ORGANISED AND GOVERNED

Charity Registration Number: 01124508
Company Registration Number: 06543150

Groundwork Greater Manchester is a registered charity and a company limited by guarantee. The governing documents are its Memorandum and Articles of Association, which were last amended at a General Meeting of the Members of the company held on 18th February 2021.

Our Board of Trustees

The Groundwork Greater Manchester Board of Trustees comprises up to 12 trustees, in accordance with the Charities Act 2011. Each Trustee is also a Director of the Company in accordance with the Companies Act 2006. Our Trustees are all co-opted trustees and bring a range of skills, expertise, networks and lived experience to the Board.

Our Trustees are responsible for ensuring Groundwork Greater Manchester is managed effectively and efficiently, with appropriate systems, processes and policies governing our fundraising, financial management, our assets and investments and our responsibilities to our staff, volunteers and beneficiaries. Trustees pay particular attention to issues of quality, health & safety, environment (including carbon reduction), safeguarding, data protection and information security and people management (including Equality Diversity and Inclusion). We maintain comprehensive business continuity and risk management arrangements.

The work of the Board is supported by 3 Sub-Committees:

- **Audit and Risk Committee** – covering all financial matters, strategic risk and associated policies
- **People Committee** – oversight of implementation of our People Strategy, pay (within boundaries set by Audit and Risk) and associated policies
- **Compliance and Performance Committee** – focuses on quality of our teaching and learning provision

We also have a number of Internal Management Groups, supported by Trustee representatives including Health and Safety, Safeguarding and Equality Diversity and Inclusion (EDI).

The Board meets quarterly and retains authority for the overall strategy and policy of the Trust and approves the Strategic Vision and Plan and the annual Business Plan, delegating development of the planning process to the Executive Team, whilst retaining responsibility for overall scrutiny of performance.

The Board regularly reviews its performance, most recently completing a Good Governance Review in 2020/21 following the Charity Commission Governance Code. Two priority areas for action emerged from this review, and have been central to on-going development:

- > Maintaining the right balance of skills, knowledge and experience, and ensuring this mix is in line with our strategic plan
- > Better representing the diverse communities that we serve, and listening to and learning from those we support

Our Board of Trustees is supported by a team of expert Associate Trustees, filling skill gaps and advising the Board in their specialist areas. This currently includes experts in: health and safety, safeguarding, teaching and learning and marketing.

TRUSTEES REPORT, INCORPORATING THE STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

Our Strategic Leadership Team

The Trust's Strategic Leadership team is headed up by our Executive Director, appointed by the Board to lead the day-to-day operations of the Trust. They are supported by: our Director of Finance and Resources, responsible for financial and business support functions; our Heads of Service who oversee programme delivery, fundraising and income generation; and Strategic Leads for Marketing and Communications and for Quality, Environment and Compliance.

To facilitate effective operations, the Executive Director has delegated authority, via our Scheme of Delegation approved by the Board, for a range of operational matters including finance, human resources and service delivery. The Strategic Leadership Team is directly accountable to the Board and its Committees, to which they provide regular reports on financial and operational performance and compliance.

Our Relationship with the Groundwork Federation

We are a member of the Groundwork Federation of charities, which comprises 14 local Groundwork trusts and Groundwork UK. Each Groundwork Trust has similar objects to Groundwork UK but delivers in local areas across the UK. A membership agreement sets out our internal roles, relationships and behaviours and the whole of Groundwork operates to a collectively agreed Federation Strategy, overseen by Federation Board. Trusts are free to adapt that strategy to local context and circumstances, in order to deliver locally in the most effective and impactful way.

Our Executive Director is a member of Federation Executive Team and our Senior Leaders, Managers and practitioners are involved in a wide range of federation forums and development groups, all of which seek to continue to improve the efficiency, quality, scale and impact of our services.

The Federation of Groundwork Trusts and other Groundwork Trusts are not considered to be related parties under the definition of the SORP. Although the elected trustees of the Federation Board are also, by definition, trustees of Groundwork trusts, neither charity subordinates its interest to the other in any transaction. Therefore, the grants made by Groundwork UK (operating as the Federation of Groundwork Trusts) to local Groundwork trusts do not require separate disclosure.

TRUSTEES REPORT, INCORPORATING THE STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

CHARITABLE OBJECTS AND PUBLIC BENEFIT

Our charitable objects are set down in our Memorandum of Association, reviewed in 2020, and are as follows:

- > To promote the conservation, protection and improvement of the physical and natural environment in the Metropolitan Boroughs of Blackburn with Darwen, Bury, Bolton, Manchester, Oldham, Rochdale, Salford, Stockport, Tameside, Trafford and the Districts of Burnley, Hyndburn, Pendle, Rossendale and Ribbles Valley and such other areas as the Trustees shall in their absolute discretion determine from time to time ("the area of benefit")
- > To provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for those living in or working in or resorting to the area of benefit
- > To advance public education in environmental matters and of the ways of better conserving, protecting and improving the same wheresoever
- > To promote urban or rural regeneration in areas of social and economic deprivation within the area of benefit by all or any of the following means:
 1. the relief of poverty in such ways as may be thought fit
 2. the relief of unemployment in such ways as may be thought fit including assistance to find employment
 3. the advancement of education, training or re-training particularly amongst unemployed people and providing unemployed people with work experience
 4. the provision of financial assistance, technical assistance, business advice or consultancy in order to provide training and employment opportunities for unemployed people in cases of financial or other charitable need through help:
 - i. in setting up their own businesses; or
 - ii. to existing businesses;
 5. the creation of training and employment opportunities by the provision of work space, buildings and / or land for use on favourable terms
 6. the provision of housing for those who are in conditions of need and the improvement of housing in the public sector or in charitable ownership provided that such power shall not extend to relieving any local authority or other bodies of a statutory duty to provide or improve housing
 7. the maintenance, improvement or provision of public amenities
 8. the preservation of buildings or sites of historic or architectural importance
 9. the provision or assistance in the provision of recreational facilities for the public at large and / or those who by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances, have need of such facilities

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10. the protection or conservation of the environment, and the promotion and maintenance of sustainable community-based projects
 11. the provision of public health facilities and childcare
 12. the promotion of public safety and prevention of crime;
 13. such other means as may from time to time be determined subject to the prior written consent of the Commission
- > To promote sustainable development within the area of benefit by:
1. the preservation, conservation and the protection of the environment and the prudent use of resources
 2. the relief of poverty and the improvement of the conditions of life in socially disadvantaged communities
 3. the promotion of sustainable means of achieving economic growth and regeneration
- > To advance the education of the public in subjects relating to sustainable development and the protection, enhancement and rehabilitation of the environment and to promote study and research in such subjects provided that the useful results of such study are disseminated to the public at large

In accordance with SI7(5) of the Charities Act 2011, the Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the charitable objects set out above.

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2022/23 STRATEGIC REPORT

Context and Priorities

2022/23 saw us move into the last year of our 2018-2023 Strategic Plan. This strategy was originally agreed by the Board of Trustees of the then Groundwork Manchester Salford Stockport Tameside and Trafford (MSSTT) in 2018. A significant mid-term review took place against the background of the Covid pandemic and the merger of Groundwork Bolton Bury Oldham and Rochdale and Groundwork MSSTT to form Groundwork Greater Manchester. This review concluded that the core elements of the strategy remained relevant and, as such this strategy, continued to provide the context for our work in 2022-23. We re-stated our mission to mobilise practical action on poverty and the environment, and placed a sharper focus on what we are doing to address the ever-pressing climate and nature emergencies.

In parallel we have also spent considerable time in the second half of the year developing our new strategy for 2023-6 (see page 14 for more information).

During the past year we have operated within an on-going period of economic, environmental and political stress and uncertainty, and against this backdrop our services have never been needed more. The people we support are facing an unprecedented cost of living and mental health crisis, linked to climate anxiety, social isolation and financial stress. The communities we serve want to harness local power and pride, whilst facing exclusion, prejudice and inequity in their daily lives. Alongside this our natural environment is under threat from climate change and human impact.

However, we are fortunate to operate in a City Region that is facing these challenges head on – seeking to localise power, working in partnership to develop greener economies and build greener places, and finding innovative solutions to tackle social and economic inequalities. The team at Groundwork Greater Manchester are proud to be part of this collective effort and to bring our expertise and knowledge where it's needed most. We have continued to work in effective and generous partnerships with public, private and community, voluntary and faith sector organisations. More about the difference we are making can be found in the impact section below.

Internally following a period of significant change and growth we have focused on consolidation and assuring the quality of every aspect of our charity, ensuring that we are stable and resilient whilst continuing to effectively support those people, communities and places who need our help the most. We continue to embrace and adapt to change, and two notable changes we have experienced this year have been at a leadership level:

- > **Chair of our Board of Trustees:** Katrina Cunliffe (previously Vice-Chair) succeeded to this role on 17 November 2022, following Tony Berry's resignation due to sudden ill health. We were extremely saddened to hear of Tony's death later that month. Tony had been a long-standing trustee, active nationally as well as locally, and a fervent advocate and supporter of Groundwork. He is sorely missed but his legacy of a strong board of trustees, underpinned by a clear succession plan and a Trust which is both ambitious and resilient, lives on.
- > **Executive Director:** The Executive Director of the trust until September 2022 was Mike Ormerod. Mike had been in post for 7 years, and was succeeded by Deborah Murray, our previous Deputy Executive Director. Deborah has been with the Trust since July 2011 and has worked in a number of specialist and cross trust roles.

Although these have been significant changes for the Trust, succession plans had been in place for some time, and as a result the transition has been managed smoothly and effectively.

TRUSTEES REPORT, INCORPORATING THE STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

Our Impact

Our 2018-23 strategy focused development and delivery around three key themes:

- > Facilitating the power of communities to take action for climate and nature
- > Creating jobs and skills for a greener economy
- > Creating and enhancing greenspace for climate and nature

We have also invested significant energy into continual improvement of our services for young people, particularly: starting to embed trauma informed practice across our services and developing a professional supervision model for staff, which will support them to deal with the increasingly challenging caseloads they face.

Some impact highlights of the year are:

- > **Completion of our [Resilient River Valleys](#) programme** which we delivered in partnership with City of Trees, Mersey River's Trust and a number of landowners in Manchester & Bury. The project tackled multiple challenges at once; greenspaces were made more accessible and resilient to the effects of climate change, those features were installed by green trainees, and co-designed with local people, who are using these spaces more so than ever before. Through the project we: recruited 30 young people to kickstart their career in the green economy; engaged almost 6,500 community members; recruited almost 700 volunteers; and improved 37.5ha of land for nature. We continue to develop opportunities to replicate this programme in other parts of the city region
- > **Continuation of our [Greenstart](#) prison-based skills programme.** Supporting residents at HMP Forest Bank, we have now been able to extend the course to include accredited construction skills training. The cohort of 38 starts achieved 90% retention and those retained achieved 100% attendance and completion. 61% of those now released (11 out of 18) are now in employment or skills training, including with some of the 16 employers who have supported our programme. Several of our graduates who are still in custody have progressed into mentor roles for future cohorts.
- > **Delivery of our on-going community engagement and river improvement programme [Love Your River Irk](#)** in north Manchester. We have held 44 events, engaging over 1400 participants in nature activities including: walks and trails; litter picking; pond dipping; seed bombing & celebrations. We have trained 149 people in river clean ups and identifying different species and 40 people are now volunteering in local water stewardship activities.

Our full current Impact report is available at:

<https://www.groundwork.org.uk/wp-content/uploads/2023/07/Groundwork-GM-Impact-Report-22-23.pdf>

TRUSTEES REPORT, INCORPORATING THE STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

Creating a Better Place to Work

During 2022/23 we have re-energised our focus on making Groundwork Greater Manchester a great place to work for all our people. Feedback via our staff surveys and our iIP Silver accreditation tell us we do a lot that is good. But we also know we can always improve.

We have:

- > Adopted our organisational values: We are Caring, Collaborative and Bold in everything we do. We champion Social Justice and take Responsibility for our Environment in all our decisions and actions.
- > Established a Health and Well-being group which also acts as our 'Staff Voice'
- > Continued to implement our Equality, Diversity and Inclusion Action Plan focusing on celebrating our diversity, challenging our recruitment practices and regularly sense checking where we are through surveys and pay reporting. One particular highlight is that we reported a £0 gender pay gap overall in November 2022
- > Begun a significant piece of organisational development work, that will conclude in 2023, and which considers pay, training and development and capacity and structures in the context of our emerging new strategy

Being a Responsible Business

During 2022/23 we continued to seek to 'walk the walk' in relation to our contribution to some of the key challenges facing society today. Key highlights include:

- > **Environment:** We reviewed and adopted our Carbon Reduction Plan in March 2023. This sets a target of reducing our baseline scope 1 and 2 emissions by 51% by March 2030. This target is accompanied by a clear roadmap as to how we will get there. We also continue to manage our own 22ha of nature sites responsibly, taking into account the needs of people and nature and installing nature-based solutions to increase biodiversity and make them more resilient to climate change
- > **Social:** In addition to our efforts to make Groundwork GM a better place to work (see above), we are proud to have received or renewed a number of accreditations this year including: accredited as a Real Living Wage Employer; receiving our Armed Forces Covenant Gold Employer Award; becoming a supporter of the GM Good Employment Charter; and making a commitment to the Disability Confident standard.
- > **Governance:** We have continued to seek to improve the diversity of our board and ensure effective succession planning (as evidence by our recent Chair appointment). We have also embarked on an intensive 'Good Governance' review which will complete in July 2023.

TRUSTEES REPORT, INCORPORATING THE STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

OUR PLANS FOR THE FUTURE

In April 2023 we adopted our 2023-6 Strategy which sets out how we will contribute to our vision of a greener, fairer and stronger for all of GM's people, places and communities over the next 3 years. We know that our delivery will take place within a similar external context - a challenging economic environment, political uncertainty and global emergency. We also know that our partnerships in GM will remain strong and that we will all continue to pull together to do the best we can for our City Region, and beyond.

In order to maintain focus over the next 3 years we have identified four Strategic Growth Areas (SGAs) that will increase our impact, generate income and increase our reach. Our SGAs have been chosen because:

- > Each builds upon our delivery and positioning achieved during the previous 3 years, which has allowed us to build a skilled staff team and a sound platform on which to grow
- > They align with local need and the priorities within the GM Plan and associated external strategies and funding priorities; our relationship network is strong in relation to all
- > They require investment in research and development in order to achieve them and find new ways of doing things

Our Strategic Growth Areas are:

- > **Delivering Green Skills & Jobs:** 3-year ambition to establish **GGM Green Skills Academy**
- > **Empowering Communities:** 3-year ambition to establish **Green Community Hubs network**
- > **Protecting & Enhancing Green and Blue Spaces:** 3-year ambition to establish 2 major **resilient landscape programmes** (new places, new activities)
- > **Retrofit for the Built Environment:** 3-year ambition to establish **GGM Retrofit Contractor and associated Green Doctor Plus Programme**

Alongside our Strategic Growth Areas, we will continue our 'Business as Usual' activity. In reality this is where much of our day-to-day business development activity is focused in order to ensure we are able to sustain and grow our core products and services.

We are also re-focusing on place-based working, in order to ensure we maximise impact by layering services and funding in target communities.

Our strategy also sets out our internal plans. We aim to ensure we are resilient and thriving and that, by 2026, we are assured that our business model enables us to absorb and adapt to a changing environment and to prosper in the long term

In particular our focus is on:

- > **Our People:** Being a great place to work which maximises the talents and creativity of our people. In relation to this next year, we will be continuing our Organisational Development work, focusing on improving pay structures and progression opportunities for our staff
- > **Data & Technology:** Improving the management and analysis of data & utilisation of technology to support service development and delivery. Our priorities in 2023/4 will be to develop IT and Data Strategies informed by user & organisation needs assessment including, but not limited to; HR, customer data, business growth and project management

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- > **Financial Health:** Optimising our financial health for the longer term. In particular we will be reviewing our financial model ensuring it is aligned with our strategy and exploring new sources of income particularly those which are unrestricted and / or support innovation and development

We will also continue to build on the strong profile we have in Greater Manchester, through our Marketing and Communications plans. Our focus will continue to be on digital channels – in particular rebuilding and improving our web-site, targeted social media activity and supporting high profile events such as the Green Summit.

In the delivery of our plans, we will:

- > Collaborate in meaningful partnerships and relationships
- > Live our values and be a responsible organisation
- > Listen to those we support and act upon what we learn

We hope that collectively these plans will allow us to continue to support those people, places and communities throughout Greater Manchester who need our help the most.

TRUSTEES REPORT, INCORPORATING THE STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

a) FINANCIAL PERFORMANCE

Groundwork Greater Manchester's total incoming resources for 2022-23 totalled £6.13 million, with an unrestricted trading surplus of £27,305.

Reserves

Groundwork Greater Manchester Trustees and senior management team have reviewed the Reserves Policy and the Board has agreed that a reasonable level of unrestricted reserves is required for the following reasons:

Financial Impact of Risk:

- to allow the Trust to be able to adopt its preferred 'balanced approach to risk management policy', through an ability to absorb short term setbacks such as loss or delays in funding;
- to provide funding to cover any unforeseen downturn in activity, allowing alternative activity to be generated and/or a planned downsizing of activity;
- to allow for the management of risk in funding of growth opportunities; and
- To cover any contractual obligations required such as redundancy, notice pay and outstanding rental/lease costs.

Working Capital:

- to finance working capital needs, such as delays in receipts and to fund the time delays between developing projects, obtaining approval and funds being received; and
- to cover the working capital required to fund the usual retrospective nature of programme funding which can result in considerable timing differences between expenditure and receipt of funds.

Commitments and long terms plans:

- to fund business development plans, such as new and improved delivery services for the Trust;
- to continue to maintain Trust buildings and sites to a good standard.
- to fund developing of new systems and structures to support improved communications, research, quality and business management; and
- to fund specific business case led initiatives that lead to furtherance of the Trust's objectives. Initial specific funding will be set aside to deliver the Carbon Reduction Action Plan, through investing in projects that:
 - reduce energy consumption – including solar power;
 - investing in the fleet of vehicles to minimise reliance on fossil fuel;
 - allow changes to be made to the 'way we do business' and in so doing reduce the impact on the environment.

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

- the need to be seen to act as a responsible charity by central Government, our sponsors and the Charity Commission; and
- the need to avoid the accusation of creating excessive surpluses (profiteering) and accumulating large surpluses (hoarding) for which there is no future planned requirement or that bare no relation to the charitable aims.

Balancing the above, and taking account of guidance published by the Charity Commission, we have calculated the minimum level of reserves as £600k:

However, given the current rate of inflation and financial climate we consider that an additional 25% should be added to create a Reserves Level of £750k for the Business Plan Period.

The current level is calculated as:

Total Unrestricted Funds;	£1,678,868
(less) tangible fixed assets for charity use;	£933,634
Total free reserves;	£745,234

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Investments

The majority of the programme funds obtained by the Trust are provided against specified projects for particular needs and are initially financed from reserves. Therefore, any funds that are built up in advance of expenditure need to be kept as liquid as possible, whilst making every effort to maximise any available investment return.

To minimise risk such funds are kept on deposits with reputable banks where immediate access has to be balanced against available interest rates. Rates available from the whole banking sector are kept under regular review and every effort is made to maximise any potential return, whilst minimising risk in the investment portfolio, in an effort to obtain all possible funding for all projects.

Principal funding sources

The major sources of funding during the year are set out below.

Total income for the year was £6.13m;

The major sources of funding during the year were:

- Private Sector contracts - £1.4m;
- Housing providers - £1.81m;
- Government Agencies & EU - £0.74m;
- Local Authorities - £0.86m;
- Big Lottery - £0.83m;
- Other Income - £0.49m;

There were brought forward Landfill Tax revenues of £13,893 from Veolia. £4,477 of which was carried forward into 2022/23 on the ongoing Roch Valley project

Funds held in trust

The trust holds a balance on behalf of the Brinnington Big Local Partnership (Big Lottery). This partnership aims to:

- to improve the area known as Brinnington for the benefit of the inhabitants of the area
- to encourage the goodwill and improvement of the local community
- to foster community spirit and encourage civic pride
- to ensure that all residents are communicated with and consulted regularly

The cash balance at year end was £67,947 (2022 - £60,309) and is shown in other creditors.

Also, the trust holds a balance of £90,751 (2022 - £85,855) on behalf of the Irwell Rivers Trust, to be spent by the Irwell Catchment Partnership (ICP), of which Groundwork Greater Manchester are members.

- The funds will be managed in-line with the Not-for-Profit guidelines provided by the Charity Commission
- The funds will only be used for activity agreed by the ICP for the Irwell Catchment

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b) PRINCIPAL RISKS AND UNCERTAINTIES

Risk Assessment & Management

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

Major risks are those that have a high probability of occurring, and would if they occurred, have a severe impact on either operational performance or achievement of purposes, or could damage Groundwork's reputation.

The risk management process, which operates as both a top-down and bottom-up mechanism, is designed to enable the Board to conclude whether the major risks to which the charity is exposed have been identified and reviewed, and that systems have been established to mitigate these risks.

The system involves the Executive & Senior Management Team:

- Reviewing the main, high impact generic risks.
- Establishing a comprehensive risk register of all the significant risks which might impact on the Trust's core purposes and key objectives.
- Establishing a bottom-up and top-down process of risk identification, assessment, mitigation and monitoring for all likely risks within the Trust.
- Producing detailed reports to the Board setting out the actions designed to eradicate or mitigate the risks identified.

The major areas of risk identified to date, potential impact and mitigations are:

- The management of the Trust's reputation for quality and effective programme delivery, sound governance, and financial probity. Clearly the risk to the Trust's reputation would have a negative effect on the future income being able to bring in. The Quality systems in place in the organisation including ISO 9001 help to mitigate along with strong board governance including regular Audit and Risk Committee/Board meetings.
- The management of key relationships with local Authority & other key partners, financial risks such as the acceptance of onerous funding terms, or commitment to matching funding etc. This can impact substantially on being tied into long, punitive contracts. Again, by having contracts analysed by the Audit and Risk Committee, and senior management having good relationships with key personnel helps overcome these risks.
- External risks, such as regulatory and legal requirements, and the risks associated with giving advice to third parties. This has both reputational and financial risk and it is important that the company has the required insurance and regulatory cover for the work involved.
- Operational risks affecting programme performance, staff skills, loss of key staff and IT systems. This can result in loss of continuity in the business and therefore loss of performance in all contract areas. Senior Management seek to regularly consult with staff with annual surveys and appraisal processes, which include succession planning where possible. IT systems are regularly reviewed and updated and we have retained the external accreditation of Cyber Essentials.

TRUSTEES REPORT, INCORPORATING THE STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

- Risks emanating from the performance/activities of other Groundwork Trusts within the Federation. This is clearly a reputational risk to all of the Groundwork Network and close contact and central messaging from Groundwork UK is essential in getting out the correct message. This is dealt with at regular FET meetings with all the trusts in the federation.

The Trust recognises that risk management and mitigation is an essential part of good business practice and an effective mechanism of good governance.

The Board is committed to ensuring that risk management processes are embedded through the Trust, and that these processes are used to help identify at an early-stage issues that affect performance or achievement of purpose.

The Board does recognise that a risk management system can only seek to manage rather than eliminate risk of failure, and that it should therefore be only one of the tools that the Board and Executive uses to provide effective control and management of the administration of the Trust.

Financial instruments

The Trust's financial risk management objective is broadly to seek to make neither profit nor loss from exposure to currency or interest rate risks. Our policy is to finance working capital through retained reserves. The Trust does not use hedge accounting. Its policy is to finance fixed assets through borrowings for a term broadly expected to match the useful economic lives of the assets.

The Trust's exposure to the price risk of financial instruments is therefore minimal. As the counterparty to all financial instruments is its bankers, it is also exposed to minimal credit and liquidity risks in respect of these instruments.

The Trustees do not consider any other risks attaching to the use of financial instruments to be material.

Auditor

Beever and Struthers are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

TRUSTEES REPORT, INCORPORATING THE STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

c) STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Groundwork Greater Manchester) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware;
- they have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Signed on behalf of the Board of Trustees



Katrina Cunliffe

Chair

Date: 19 October 2023

Independent Auditor's Report to the members of Groundwork Greater Manchester

Opinion

We have audited the financial statements of Groundwork Greater Manchester "the charitable company" for the year ended 31 March 2023 which comprise Statement of Financial Activities including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the other information. 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.

Independent Auditor's Report to the members of Groundwork Greater Manchester

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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 on page 20, the trustees (who are also the directors of the 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the members of Groundwork Greater Manchester

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

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

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of laws, regulations and guidance that affect the charitable company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws, regulations and guidance that we identified included the Companies Act 2006, tax legislation, health and safety legislation, and employment legislation.
- We enquired of the Trustees and reviewed correspondence and Trustee meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Trustees have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Trustees have in place to prevent and detect fraud. We enquired of the Trustees about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations was discussed within the audit team and tests were planned and performed to address these risks.
- We reviewed financial statements disclosures and supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Trustees about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

Independent Auditor's Report to the members of Groundwork Greater Manchester

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.



Sue Hutchinson FCCA (Senior Statutory Auditor)

For and on behalf of

BEEVER AND STRUTHERS

Statutory Auditor

One Express

1 George Leigh Street

Manchester

M4 5DL

Date: 24 November 2023

Groundwork Greater Manchester

Statement of financial activities including the Income and Expenditure account for the year ended 31 March 2023

	Note	2023 Unrestricted funds £	2023 Restricted Funds	2023 Total £	2022 Unrestricted and Total £
Income:					
Donations and legacies	3	36,842	-	36,842	106,972
Investment income	4	5,643	-	5,643	38,766
<i>Income from charitable activities:</i>					
Land, Design and Build		872,201	-	872,201	1,231,335
Community Development & Youth		1,053,693	-	1,053,693	1,082,016
Training and Coaching for Employment		3,315,734	-	3,315,734	2,431,255
Sustainable Business/Energyworks		850,476	-	850,476	765,825
Total income		6,134,589	-	6,134,589	5,656,169
Expenditure:					
<i>Costs of raising funds:</i>					
Commercial trading operations	5	33,874	-	33,874	35,278
<i>Expenditure on charitable activities:</i>					
Land, Design and Build	6	887,529	-	887,529	1,255,789
Community Development & Youth		1,037,651	-	1,037,651	1,067,305
Training and Coaching for Employment		3,489,270	-	3,489,270	2,629,677
Sustainable Business/Energyworks		658,960	-	658,960	622,042
Total expenditure		6,107,284	-	6,107,284	5,610,091
Net incoming resources	10	27,305	-	27,305	46,078
Net movement in funds		27,305	-	27,305	46,078
Fund balances brought forward at 1 April 2022	17	1,651,563	65,257	1,716,820	1,605,485
Fund balances carried forward at 31 March 2023	17	1,678,868	65,257	1,744,125	1,651,563

Incoming resources and resources expended derive from continuing operations.

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

The notes on pages 28 to 37 form part of these financial statements.

Groundwork Greater Manchester

Charity balance sheet at 31 March 2023

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	11		933,634		983,504
			<hr/>		<hr/>
			933,634		983,504
Current assets					
Debtors	12	1,474,269		1,156,579	
Cash at bank		1,088,527		1,250,818	
		<hr/>		<hr/>	
Creditors: amounts falling due within one year	13	1,752,305		1,674,081	
		<hr/>		<hr/>	
Net current assets			810,491		733,316
			<hr/>		<hr/>
Total assets less current liabilities			1,744,125		1,716,820
			<hr/>		<hr/>
Net assets	16		1,744,125		1,716,820
			<hr/>		<hr/>
Reserves					
Restricted funds:			65,257		65,257
General funds	17		1,678,868		1,651,563
			<hr/>		<hr/>
			1,744,125		1,716,820
			<hr/>		<hr/>

These financial statements were approved by the Board of Trustees and authorised for issue on 19 October 2023 and were signed on its behalf by:



Katrina Cunliffe
Chair

Date: 19 October 2023

Company registration no. 06543150

The notes on pages 28 to 37 form part of these financial statements.

Groundwork Greater Manchester

Cash flow statement for the year ended 31 March 2023

	2023	2022
	£	£
Reconciliation of net incoming resources before transfers to net cash outflow from operating activities		
Net incoming resources before transfers	27,305	46,078
Interest receivable	(5,643)	(412)
Rental income	-	(38,354)
Depreciation	62,717	64,270
(Increase) in debtors	(317,690)	(283,199)
Increase in creditors	78,224	121,712
Net cash outflow from operating activities	(155,087)	(89,905)
Cash flow from financing activities		
Repayment of loans & borrowings	(-)	(-)
Net cash inflow from financing activities	(-)	(-)
Cash flows for investing activities		
Interest received	5,643	412
Rental income	-	38,354
Payments to acquire tangible fixed assets	(12,849)	(13,611)
Net cash outflow from capital expenditure	(7,206)	25,155
(Decrease) in cash	(162,291)	(64,750)
	2023	2022
	£	£
(Decrease) in cash in the period	(162,291)	(64,750)
Cash and cash equivalents at 1 April 2022	1,250,818	1,315,568
Cash and cash equivalents at 31 March 2023	1,088,527	1,250,818

The notes on pages 28 to 37 form part of these financial statements.

Groundwork Greater Manchester

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

1 Accounting policies

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

a) *Basis of preparation*

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) 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 Greater Manchester meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) *Going Concern*

There are no other material uncertainties about the charity's ability to continue, therefore, the accounts have been prepared on a going concern basis.

c) *Grants and other income*

Donations and legacies including grants that provide core funding or are of a general nature is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

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

Incoming resources from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

Investment and rental income is recognised on a receivable basis.

Income from commercial trading activities is recognised on a recoverable basis.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions is recognised as earned (as the related goods or services are provided). Grant income included in this category includes income received specifically for project activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income is deferred when project funding is received in advance of expenditure being incurred on the various projects where delivery of the project gives the Trust entitlement to the income.

d) *Funds*

Unrestricted funds are those which are available for use at the discretion of the Board of Trustees in furtherance of the general objectives of the charity.

Restricted Funds - Roch Valley Primrose Hill Farm Heywood

Roch Valley is a site of biological importance and is part of the wider green corridor following the River Roch through the heart of Rochdale. It is nestled between Queens Park and Springfield Park and is a remote haven for wildlife. Roch Valley consists of a lowland hay meadow adjacent to the river with scattered trees and hedgerows across the site.

Groundwork Greater Manchester

Notes forming part of the financial statements for the year ended 31 March 2023 (*continued*)

Groundwork bought the site on 30th May 2014 using funds provided by Rochdale Council (RMBC) via a local S106 agreement and the purchase included an £100,000 endowment for Groundwork to maintain and develop the land in the future and we have since developed the space into a valuable community amenity. Endowment funds remaining are £65,257.

e) Expenditure and irrecoverable VAT

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of raising funds are the costs associated with attracting voluntary income.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

f) Allocation of support costs

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

g) Tangible fixed assets

Individual fixed assets costing £1,000 or more are initially recorded at cost.

The trustees have a policy of periodically reviewing fixed assets for impairment over and above their carrying value. Any reductions in the net book value of impaired fixed assets are treated as additional depreciation charges, which are reported within the appropriate resources expended section of the Statement of Financial Activities. Assets under construction are not depreciated until completed.

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

Land and Buildings	2% per annum using the straight-line method
Ecology Park Main Building	10% per annum using the straight-line method
Fixtures, Fitting and Equipment	25% per annum using the straight-line method
Motor Vehicles	25% per annum using the straight-line method

h) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

i) Cash at hand and in bank

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.

j) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past

Groundwork Greater Manchester

Notes forming part of the financial statements for the year ended 31 March 2023 (*continued*)

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 due.

k) Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

l) Pensions

The charity is a member of a multi-employer scheme (Greater Manchester Pension Fund) for employees in service on 1 June 2008. The assets of the scheme are held separately from those of the Trust but these assets and liabilities are not separately identifiable hence no value in the accounts. The regular cost of providing pension and related benefits is charged to the statement of financial activities over the employees' service lives on the basis of a constant percentage of earnings.

The charity also operates two other defined contribution pension schemes for employees joining after 1 June 2008. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

m) Judgement and keys sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. In the trustees' opinion, there are no significant accounting estimates and judgements.

2 Legal status of the Trust

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation. The charity is incorporated in the United Kingdom and its registered address is: Trafford Ecology Park, Lake Rd, Manchester, M17 1TU.

3 Income from donations and legacies

	2023 Unrestricted	2023 Total	2022 Unrestricted and Total
	£	£	£
Miscellaneous Income	16,552	16,552	10,970
Support Income	20,290	20,290	-
Furlough Income	-	-	96,002
	36,842	36,842	106,972

Groundwork Greater Manchester

Notes forming part of the financial statements for the year ended 31 March 2023 (*continued*)

4 Investment income

	2023 Unrestricted	2023 Total	2022 Unrestricted and Total
	£	£	£
Bank interest	5,643	5,643	412
Rental income	-	-	38,354
	<u>5,643</u>	<u>5,643</u>	<u>38,766</u>

5 Cost of generating funds

	2023 Unrestricted	2023 Total	2022 Unrestricted and Total
	£	£	£
Marketing Costs	33,874	33,874	35,278
	<u>33,874</u>	<u>33,874</u>	<u>35,278</u>

6 Charitable activities

	Direct Costs	Employment Costs	Governance Costs (note 7)	Support & Other Costs	Total 2023	Total 2022
	£	£	£	£	£	£
Analysis of expenditure on charitable activities						
Land Design and Build.	356,227	484,280	1,749	45,273	887,529	1,255,789
Community Engagement & Youth.	421,175	564,787	1,923	49,766	1,037,651	1,067,305
Training and Coaching for Employment.	1,577,319	1,732,477	6,676	172,798	3,489,270	2,629,677
Sustainable Business/ Energyworks	256,820	364,450	1,402	36,288	658,960	622,042
	<u>2,611,541</u>	<u>3,145,994</u>	<u>11,750</u>	<u>304,125</u>	<u>6,073,410</u>	<u>5,574,813</u>

Note: Support and other costs are allocated on a % head count based on the members of staff in that area. These include administration, accommodation, transport, depreciation and communication costs.

Groundwork Greater Manchester

Notes forming part of the financial statements for the year ended 31 March 2023 (*continued*)

7 Governance costs

	2023 Unrestricted	2023 Total	2022 Unrestricted and Total
	£	£	£
Legal and professional	2,049	2,049	844
Audit and accountancy fees	9,700	9,700	10,768
	<u>11,749</u>	<u>11,749</u>	<u>11,612</u>

Governance costs are apportioned into Note 6 based on staff numbers per area

8 Employees

The number of employees during the year, analysed by category, was as follows.

	2023 Headcount	2022 Headcount	2023 FTE	2022 FTE
Direct charitable	99	80	97	77
Management and administration	7	7	8	7
Fundraising and publicity	2	2	2	2
	<u>108</u>	<u>89</u>	<u>107</u>	<u>86</u>

The aggregated cost of these persons was as follows:

	2023 £	2022 £
Wages and salaries	2,754,993	2,252,595
Social security costs	257,275	201,846
Pension costs (see note 14)	133,727	116,908
	<u>3,145,995</u>	<u>2,571,349</u>

The emoluments of employees (excluding NI/pension contributions) over £60,000 per annum are as follows:

	2023 £	2022 £
£60,000 - £70,000	1	1
£70,000 - £80,000	-	-
£80,000 - £90,000	-	1
	<u>-</u>	<u>1</u>

Total contributions under defined contribution schemes on behalf of these were £5,173 (2022 - £6,260).

Payments made to Key Management Personnel amounted to £149,385 (2022: £225,237).
These payments were to the executive officers only. No amounts were paid to Trustees

Groundwork Greater Manchester

Notes forming part of the financial statements for the year ended 31 March 2023 (*continued*)

9 Transactions with Trustees

No Trustees received any remuneration or expenses for services performed on behalf of the trust.

10 Net incoming resources

	2023 £	2022 £
Net incoming resources for the year is stated after charging:		
Audit of the charity's annual accounts	10,000	9,700
Depreciation	62,717	64,270

11 Tangible assets

	Freehold Interest in Land and Buildings £	Ecology Park Main Building £	Ecology Park Timber Building £	Motor Vehicles £	Office and Computer Equipment £	Total £
<i>Cost</i>						
At 1 April 2022	607,018	129,102	379,052	83,525	198,114	1,396,811
Additions	-	12,848	-	-	-	12,848
Disposals	-	-	-	-	-	-
At 31 March 2023	607,018	141,950	379,052	83,525	198,114	1,409,659
<i>Depreciation</i>						
At 1 April 2022	78,271	102,096	7,581	38,603	186,758	413,309
Eliminated on disposals	-	-	-	-	-	-
Charged for the year	12,140	14,195	7,581	17,444	11,357	62,717
At 31 March 2023	90,411	116,291	15,162	56,047	198,114	476,025
Net Book Value						
At 31 March 2023	516,607	25,659	363,890	27,478	-	933,634
Net Book Value						
At 31 March 2022	528,747	27,006	371,471	44,922	11,356	983,502

Groundwork Greater Manchester

Notes forming part of the financial statements for the year ended 31 March 2023 (*continued*)

12 Debtors

	2023 £	2022 £
Trade debtors	894,003	540,803
Prepayments and accrued income	580,266	615,776
	<u>1,474,269</u>	<u>1,156,579</u>

13 Creditors

	2023 £	2022 £
Trade creditors	191,633	191,566
Other creditors	458,518	368,778
Accruals and deferred income	874,487	971,633
Taxation and social security	227,667	142,104
	<u>1,752,305</u>	<u>1,674,081</u>

14 Greater Manchester Pension Scheme

The scheme available to staff in service on 1 June 2008 was the Greater Manchester Pension Fund (GMPF). The GMPF is a final salary defined benefit scheme, the assets of Groundwork Greater Manchester are pooled with similar institutions for actuarial valuation purposes. The pension contributions made by Groundwork GM to the scheme for the year ended 31 March 2023 were £55,715 (2022 - £53,765). The agreed employer contribution rate was 25.4% for the period April 2022 to March 2023 and will remain the same up to March 26.

In the event of any deficit, the trust would be liable for its proportionate share of any shortfall. As stated below, at the last actuarial valuation funding stood at 104%, up from 102% at the previous actuarial valuation. For the purposes of the accounts this is being treated as a defined contribution scheme.

The pension cost is assessed every three years in accordance with the advice of an independent qualified actuary. The latest actuarial valuation of the scheme was at 31 March 2022. The assumptions and other data, used in the 2022 valuation, that have the most significant effect on the determination of the contribution levels are as follows:

Actuarial method	Projected unit method
Rate of increase in pensions	2.3% pa
Discount Rate	3.6% pa
Market value of the assets at the date of last valuation	£29.3 m
Value of Liabilities	£28.3m
Proportion of members' accrued benefits covered by the actuarial valuation	104%
Funding level change since last valuation	2% increase

Employees joining after 1 June 2008 have been entitled to join defined contribution pension schemes administered by AEGON and Peoples Pension.

Groundwork Greater Manchester

Notes forming part of the financial statements for the year ended 31 March 2023 (*continued*)

15 Related parties

As per Note 8 no other related party transactions have occurred in the period

16 Analysis of net assets at 31 March 2023

	Unrestricted Funds £	Restricted £	Total Funds 2023 £	Total Fund 2022 £
Tangible fixed assets	933,634	65,257	868,377	983,504
Current assets	2,562,796	-	2,562,796	2,407,397
Creditors: amounts falling due within one year	(1,752,305)	-	(1,752,305)	(1,674,081)
	<u>1,678,868</u>	<u>65,257</u>	<u>1,744,125</u>	<u>1,716,820</u>

17 Analysis of funds

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Unrestricted Funds 2022 £	Restricted Funds 2022 £
At 1 April 2022	1,651,563	65,257	1,605,485	65,257
Incoming resources	6,134,589	-	5,656,169	-
Resources expended	(6,107,284)	-	(5,610,091)	-
Transfer between funds	-	-	-	-
At 31 March 2023	<u>1,678,868</u>	<u>65,257</u>	<u>1,651,563</u>	<u>65,257</u>

18 Capital Commitments

The Trust had no Capital Commitments at the end of March 2023 (2022 - £ None)

19 Net Debt

Cash/Cash equivalents	At 1 Apr 22 £	Cash Flows £	Other non-cash Changes £	At 31 Mar 23 £
Cash	1,250,818	(162,291)	-	1,088,527
Overdrafts	-	-	-	-
Cash Equivalent	-	-	-	-
Total	1,250,818	(162,291)	-	1,088,527
Borrowings				
Debt Due	-	-	-	-
Total	1,250,818	(162,291)	-	1,088,527

Groundwork Greater Manchester

Notes forming part of the financial statements for the year ended 31 March 2023 (*continued*)

Advisors

Auditors

Beever and Struthers
One Express
1 George Leigh Street
Manchester
M4 5DL

Bankers

Santander Corporate Banking
298 Deansgate
Manchester
M3 4HH

Solicitors

Shoosmiths
The XYZ Building
2 Hardman Boulevard
Spinningfields
Manchester
M3 3AZ

Groundwork Greater Manchester

Notes forming part of the financial statements for the year ended 31 March 2023 (*continued*)

The Board of Trustees

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

Co-opted Trustees	Member	First appointed	Last appointed	Resigned
Katrina Cunliffe (Chair)	Co-opted	May 2019	June 2022	
John Bland (Vice Chair)	Co-opted	August 2020		August 2023
Howard Sykes	Co-opted	August 2020		August 2023
Ian Whittaker	Co-opted	August 2020		August 2023
Cllr Neil Reynolds	Co-opted	May 2018	May 2021	November 2023
Thomas Besford	Co-opted	August 2020	August 2023	
Maureen Whilby	Co-opted	September 2021		June 2023
Tessa Wiley	Co-opted	September 2021		
Joanne Yates	Co-opted	November 2021		
Stewart McCombe	Co-opted	November 2022		
Steph Everett	Co-opted	November 2022		
Jack Collier	Co-opted	November 2023		
Erica Rosanne East	Co-opted	November 2023		
Janet Thomas	Co-opted	November 2023		

Company Secretary

Gary Cunningham

Audit and Risk Committee

Stewart McCombe (Chair)

Steph Everett (Vice-chair)

Tom Besford

Tessa Wiley

Executive Director

Deborah Murray

Key Management Personnel

Deborah Murray

Gary Cunningham