

GROUNDWORK WEST MIDLANDS

England & Wales · Charity number 1128858

Details

Status Registered

Legal form Charitable company

Company number [06823225](#)

Registered 2009-03-27

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

Contact

Address Groundwork West Midlands
First Floor
36-38 Owen House
Unity Walk
Tipton Shopping Centre
TIPTON

Phone 01215305500

Email wmgovernance@groundwork.org.uk

Website www.groundwork.org.uk/wm

Activities

Objects: FOR OBJECTS, PLEASE SEE MEMORANDUM AND ARTICLES OF ASSOCIATION

Activities: See Annual Report

Classification

- **How:** Provides Services
- **What:** Environment/conservation/heritage, Economic/community Development/employment
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** WEST MIDLANDS
- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£4,147,337	£3,941,073	£1,887,729	69
2024-03-31	£3,185,789	£3,166,638	£1,672,676	58
2023-03-31	£3,241,445	£2,894,387	£1,530,254	64
2022-03-31	£2,702,203	£2,666,850	£1,261,191	68
2021-03-31	£1,543,980	£1,790,189	£1,197,837	60

Trustees

Name	Role	Appointed
Anne Marie Simpson	Chair	2019-07-21
Alexander Clewett		2025-07-30
Brid Anne Bickerton		2020-11-26
Ian Priest		2017-10-12
Lyndon Campbell		2023-04-27
Nikolai Attard		2025-05-15
PHILIP JOHN FARRELL		2022-10-27

Accounts



Groundwork West Midlands

Annual Report and Financial Statements 2024/25

Charity registration number
1128858

Company registration number
06823225

Registered office:
First Floor Owen House
17 Unity Walk
Tipton
DY4 8QL

Contents

Page

1	About Groundwork West Midlands
2-28	Trustees Report
2	Message from the Chair
3	Governance
5	Objects and Public Benefit
6	Strategic Report
25	Financial Performance
28	Principal Risks and Uncertainties
28	Statement of Trustees' Responsibilities
30	Independent Auditor's Report
34	Statement of Financial Activities
35	Charity Balance Sheet
36	Cash Flow Statement
37-53	Notes forming part of the financial statements
54	Advisors
55	The Board of Trustees

TRUSTEES REPORT

About Groundwork West Midlands

Groundwork West Midlands (GWWM) is an incorporated charity working to transform lives in the UK's most disadvantaged communities. We are passionate about creating a future where every neighbourhood is thriving, every community is strong and able to shape its own destiny and no-one is held back by their background or circumstances.

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

We are part of a Federation of independent charities in England, Wales and Northern Ireland called Groundwork Trusts, supported by a national office called Groundwork UK.

Our teams are based in offices across the West Midlands delivering services where they are needed the most.

We are passionate about;

- Creating better places & connections to the natural world
- Improving peoples' prospects & raising aspirations
- Promoting healthier & greener choices

We believe that working with local communities to build their resilience is vital in facing up to the challenges of a post-Covid-19 West Midlands. We know that the negative effects of climate change and environmental breakdown impact first and worst on those who have the least power in society, and who contribute least to the cause of the crisis. A 'just transition' to an inclusive, net-zero economy must tackle, rather than entrench, this inequality and provide a springboard for better work and healthier, happier lives in the places that need it most.

This means creating green jobs that build wealth in local communities, changing behavior to reduce wasted food, energy and water, providing biodiverse, accessible green spaces, supporting businesses to be more responsible and empowering communities to lead activities that improve their quality of life and promote health and wellbeing.

TRUSTEES REPORT

Message from the Chair

Another year passed and I am delighted again to be able to report extremely positively on the 2024/25 year and to present our annual report.

Closing the year in £206,265 trading surplus, our account balance remains strong with a positive end to the year for financial management and service delivery. This prudent approach to accurate bidding processes that strike the right balance between the realistic cost of delivery whilst remaining competitive, together with sound financial investment policies, has meant that this year we have been able to undertake a full strategic review, the aim of which is to invest surplus in growth and service expansion. This is a position that 6 years ago we could only imagine. Now, with greater financial alacrity, resource structures that are fit for excellence in delivery, excellent management and governance, we have achieved the ability to do much more and serve more need in our communities.

The success of our delivery of the DWP Restart programme has led to expansion in the programme areas and funding that our teams deliver, getting more people back into active work, improving prospects and mental and physical well-being. We have expanded our Green Doctor Team reflecting the huge demand for energy advisors to help with the rising costs of energy and the financial hardship that this can bring to communities. Our land management offer has also grown, we are now engaged in multiple conversations to manage more country parks, land and parks for land owners and Local Authorities. Expertise in this area is a real strength for the organisation and has the prospect of creating more self-sustaining income to use on community-based projects that support healthy eating, financial literacy and youth / community engagement to help tackle isolation and loneliness.

Finally, following our strategic review, we find that we are able to fully invest in creation of an expanded physical presence in Tipton to develop a café and community hub for service delivery. This asset will be fully funded by GWWM resources to provide a key local asset for the community, a place to eat, meet and be less isolated. Services and training are also to be delivered from the café and to increase awareness of what we can do to help communities and individuals build resilience.

We have built new staff engagement and benefit systems to support the well-being of our teams, established Board sub groups for HR, Equality, Diversity and Inclusion and Finance and Audit to enhance the Trustees interface and contact with staff and strengthen our approach to governance. These measures, together with a renewed vigour and optimism in the organisation, have helped reduce both staff turnover and sickness rates. Our Chief Executive deserves a particular highlight as his leadership, expanded senior networks, increased responsibilities at a national Groundwork Trust level have enhanced our reputation and awareness of our ability. Our Teams and volunteers deserve a huge thank you from all of us on the GWWM Board.

On behalf of the Board, I would like to celebrate and appreciate the continued commitment, passion, drive and innovation of our people, those who support delivery to those in need, in areas where support is best placed.

I would like to thank the governance provided by our Board of Trustees, whose expertise, time and shepherding is given freely and without which the Charity could not exist.

Please take the time to read our annual report for 2024/25 and reach out to us where we can help and collaborate.

Anne-Marie Simpson, Chair

23rd October 2025

TRUSTEES REPORT

Governance

Structure

Groundwork West Midlands, the charity is a charitable company limited by guarantee, registered with the Charity Commission (number 1128858) and Companies House (number 06823225).

The organisation is governed by its Memorandum and Articles of Association dated 9 June 2009; Trustees are elected or coopted in accordance with these.

Board of trustees

The Groundwork West Midlands Board comprises Trustees appointed in accordance with the Charities Act 2011, who are also the Directors of the company in accordance with the Companies Act 2006. We take our governance responsibilities very seriously, recognising the need to ensure as much of our resource as possible is expended on delivering our charitable mission while ensuring our organisation is strong, well-managed and financially viable in the long term.

The Trustees are responsible for ensuring sound organisational systems, processes and policies are maintained and embedded in the way Groundwork West Midlands is managed. This includes policies governing our fundraising standards, our investments and our responsibilities to our staff, volunteers and beneficiaries. We pay particular attention to issues of health and safety, data protection and information security and we maintain comprehensive business continuity arrangements.

We take safeguarding very seriously and have a nominated, trained champion on our Board. Our Trustees ensure we have access to the expertise needed to run our organisation efficiently, effectively and safely; new Trustees are provided with an induction to the organisation, with a focus on roles and responsibilities.

The Groundwork West Midlands board's work is supported by our Finance and Audit Committee, a sub-committee which oversees the audit process and reviews our Annual Report and Financial Statements independently of the main board.

Management Team

The SMT is fully representative of all functions of the organisation, with clear reporting lines. The SMT has continued to perform well, resulting in greater efficiencies, and enhanced communication throughout the organisation and excellent delivery of our projects and services.

The Senior Management Team includes staff members responsible for financial and business management, business development and programme management and delivery. The SMT is fully accountable to the Board and the Finance and Audit Committee and operates through delegated powers outlined in our financial regulations.

The team provides regular reports to the board on financial and operational performance and risk management. SMT meets monthly to discuss strategy and operation management of the organisation.

TRUSTEES REPORT

Relationships within Groundwork

Groundwork West Midlands is one Trust within the Groundwork Federation of independent charities. Each Groundwork Trust works under a common brand to a common strategy. This strategy sets the direction, milestones and targets which influence operational decision-making across all parts of Groundwork and against which the senior executives hold each other to account.

Groundwork West Midlands is an active member of the Groundwork Federation, a national organisation with 14 member trusts. Our CEO, Andrew Thompson represents GWWM on the Federation Executive Team, and our Chair, Anne-Marie Simpson, represents GWWM on the Federation Board.

The Trust and Federation work together to ensure that all the member trusts work together, share best practice and drive up quality standards for the betterment of all. Between them, the Federation Executive Team and the Federation Board consider and discuss all aspects of Groundwork activity, ensuring that policies and strategic and business developments reflect the needs that Groundwork seeks to fulfil.

Within this strategic framework Groundwork Trusts make their own decisions about the project work they develop and deliver. The Federation strategy supports this local decision-making by focusing on those areas of development and delivery where there is a need or an opportunity for Groundwork to act collectively in order to achieve maximum benefit for the communities it serves. Individual Trusts benefit from sharing intelligence and the potential to replicate business models that are being delivered in other parts of the Federation.

The national office, Groundwork UK, delivers services and activities to support Groundwork Trusts by building brand and profile, generating income for local delivery and supporting quality and impact. Groundwork UK is held to account for its performance by its members. Each Groundwork Trust signs a membership agreement which sets down the obligations of Trusts to Groundwork UK and to each other and the services and standards Groundwork UK will deliver on behalf of the Federation.

Related party relationships

The charity operates one trading subsidiary, Groundwork West Midlands Enterprise Limited. All of the issued share capital of this company is held by the charity. This company was formed to operate contracts falling outside the scope of Groundwork West Midlands' core areas. For 2024–25 Groundwork West Midlands Enterprise Limited was dormant.

Our commitments

We will be environmentally aware and focused on communities in need. Our decisions, actions and operations will be guided by our sustainable development policy, which sets out how we aim to contribute to creating a strong and just society living within environmental limits. Everything we do is underpinned by our values, which inform the way we work and behave. These are:

- We will invest in the places and people that need us most – prioritising our resources to bring about lasting change by building skills and capacity within the local communities where we can make most difference.

TRUSTEES REPORT

- We will work with local leaders and listen to local voices –ensuring those it is designed to benefit and adds value to the assets that exist in local areas shape our work.
- We will grow a culture of equity and inclusion – operating with transparency and integrity, seeking out a diversity of viewpoints, in the work we do and the people we employ.
- We will be committed to collaboration – forging strong partnerships, contributing to a thriving community sector and helping others lead where this will achieve greater impact.
- We will act as environmental exemplars – championing practical action to combat the climate and nature emergency and measuring and reducing our own environmental impact.

Safeguarding

As a charity dedicated to supporting vulnerable people we make sure our operations are delivered safely and to the highest ethical standards. Groundwork UK have recently undertaken a Federation-wide review of the Trusts' arrangements for safeguarding and whistleblowing. This work ensures Groundwork Trusts can identify and embed best practice in terms of local management, governance oversight and transparent reporting. Groundwork West Midlands continues to exceed the minimum recommended requirements.

Fundraising activities

The charity had no fundraising activities that require disclosure under S162A of the Charities Act 2011.

Objects and Public Benefit

Groundwork West Midlands charitable objects are set down in its Memorandum of Association dated 9 June 2009. They commit us to delivering and promoting regeneration and sustainable development.

The 13 objects cover environmental conservation, social welfare, public education, urban and rural regeneration for public benefit, training and employment opportunities, housing, public amenities, historic buildings, recreational facilities, derelict land reclamation, public health, public safety and other means as may be determined by the Charity Commissioners.

Groundwork West Midlands exists primarily to provide public benefit. Specific benefits delivered in 2023 - 2024 are detailed in the Strategic Report section and provide evidence that the criteria for public benefit have been met. Groundwork West Midlands Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the organisation's objectives and planning future activities.

Our work is designed to address the needs of all sections of the community and we provide equal access to our services regardless of race, gender, disability or sexual orientation. For further details about our work visit www.groundwork.org.uk/hubs/westmidlands/

TRUSTEES REPORT

Strategic Report for the year ended 31 March 2025

Strategic Overview

Groundwork West Midlands is a charity working to transform lives in the UK's most disadvantaged communities.

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

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

Our Impact

We spent time during the year considering our impact and how we can effect change. Our work supports people facing multiple challenges – living in isolation or with significant health issues, in communities with few facilities, and with limited employment prospects.

We have over four decades' experience of building partnerships to address these challenges in three ways:

- **We create better places** - Making communities greener, safer and healthier by enabling people to work together to bring about change in their local area.
- **We improve people's prospects** - Increasing the confidence, skills, wellbeing and employability of those struggling in education or out of work.
- **We promote greener choices** - Helping people and businesses reduce their environmental impact, cut waste, save money and live more healthily.

Our impacts can be demonstrated below...



694

Community Organisations
Supported



£767,274

Invested In Communities



9,525

Hours of volunteering
mobilised

TRUSTEES REPORT



578

Formal qualifications gained



98

Young people supported to
learn and achieve



1,748

People supported into education,
training or work



1,769

People helped to reduce
Energy and water use



£834k

Distributed in emergency energy
top-ups



£788k

Domestic utility bill savings



1,477,000 m2

Of land improved



4,713

Households support by our
Green Doctor home energy
efficiency experts



1,673

Trees Planted



2,503

People supported to make
greener choices

TRUSTEES REPORT

Sustainable Development Goals

We prioritise our work and measure our achievements based on the difference we make to the lives of people, our impact on the environment and our contribution to UN Sustainable Development Goals. We have identified six goals, which align most closely with our work:

Goal 1: No poverty - Helping people into work and building the resilience of those most vulnerable

Goal 7: Affordable and clean energy - Improving energy efficiency and promoting renewables

Goal 8: Decent work and economic growth - Creating jobs and enterprise and helping young people into work

Goal 11: Sustainable cities and communities - Improving green spaces, promoting sustainable transport and improving air quality

Goal 12: Responsible consumption and production - Reducing waste and promoting positive environmental behaviours amongst communities and businesses

Goal 13: Climate action - Promoting practical action and strengthening the resilience of communities to cope with climate-related events

Our work is needed because ...

- the number of people not working due to long-term sickness has been rising since 2019 and now stands at more than 2.5 million
- more than 6.5 million households are experiencing fuel poverty with 21.5% of excess winter deaths attributable to cold homes
- almost 3 million people in the UK used a food bank in the last year and 40% of people report feeling worried about being able to afford food
- 2.8 million people in the UK do not have any publicly accessible green space within a 10-minute walk of their home
- 40% of people from ethnic minority backgrounds live in the most greenspace-deprived areas, compared to 14% of White people
- more than a million adults and nearly three-quarters of a million children in the UK live in neighbourhoods where air pollution is double recommended levels
- more than 40% of adults in the UK report feeling anxious about the environment and globally 60% of children and young people say they are extremely or very worried about climate change.

We focus our work in the areas of greatest need across the whole West Midlands Regional footprint.

Our Approach

We deliver our impact through a range of projects, programmes and services that respond to local need and opportunity but that are developed and informed by the following core commitments.

- **We work where there is most need and we can have most impact** – prioritising our resources and building partnerships so that we can bring about lasting change.

TRUSTEES REPORT

- **We listen to local voices and empower people** – ensuring our work is shaped by those it is designed to benefit and strengthens community assets and infrastructure.
- **We embed equity and inclusion in everything we do** – addressing injustice and seeking out a diversity of viewpoints, both in the work we do and the people we employ.
- **We learn from local practice to promote wider change** – sharing the lessons from our work so that we can influence policy and contribute to system change.
- **We are collaborative and innovative** – forging strong partnerships and working with others to develop new ways of working and achieve greater impact.
- **We are environmental exemplars** – championing practical action to combat the climate and nature emergencies and measuring and reducing our own environmental impact.

CEO Strategic Summary - 2024/25

The past year has marked a transformative period for Groundwork West Midlands (GWWM), defined by bold strategic action, operational innovation, and a deepened commitment to supporting resilient communities and sustainable environments. In alignment with the Groundwork Federation Strategy (2023–2028), GWWM has undertaken significant initiatives across governance, programme development, business transformation, and partnership expansion.

1. Strategic Review & Future Planning

GWWM initiated a comprehensive **Strategic Review** during 2024/25 to inform its 2025–2030 development plan. This review examined the organisation’s operational model, income diversification, governance structures, and programme priorities. It led to the identification of key themes for future growth, including:

- Expanding land management services and green hubs
- Growing accredited training and employment pathways in green jobs
- Enhancing digital infrastructure and impact measurement systems
- Strengthening community resilience and health-related programming

2. Business Development & Investment Strategy

To drive growth, GWWM have developed a **five-year Business Development Investment Strategy** (2025–2029), using designated reserves to support sustainable income streams. Investments include:

- Expansion of corporate volunteering and CSR services
- Development of a community café (Unity Brew) as a social enterprise
- Recycling and reuse programmes
- Accredited training delivery for green and health-related jobs
- Establishment of green community hubs and pursuit of land ownership for strategic environmental use

TRUSTEES REPORT

3. Digital Transformation & Operational Resilience

In March 2025, GWWM launched a major **digital transformation project**, implementing Microsoft Dynamics 365 with TES as the delivery partner. This cloud-based solution improves financial oversight, automates workflows, and strengthens funder compliance. The transformation enhances data security and operational agility, and supports scalable growth.

Additionally, GWWM achieved **ISO 27001 Certification**, demonstrating best-in-class data protection practices and strengthening our credibility with partners and funders.

4. New Programme & Service Development

GWWM continued to respond to community and environmental needs through innovative programming:

- Launch of the **Unity Brew Community Café**, combining social enterprise with health and employment outcomes
- Ongoing delivery and expansion of flagship programmes such as **Green Doctor**, **Cook & Eat**, and **The People's Patch**
- Development of nature-based engagement initiatives and land management schemes with local authorities and other land owners

5. Workforce Development & Culture

To support organisational health, GWWM invested in cultural transformation. The **2024 Away Day** launched a positive psychology and wellbeing programme ("Art of Brilliance"), designed to improve staff morale, emotional intelligence, and internal collaboration. Retention improved significantly as a result of previous work including investments in pay and benefits.

This year, GWWM has balanced ambition with responsibility, investing in scalable infrastructure and people-powered programmes while maintaining financial stability. As we move into the next strategic cycle, we are well-positioned to deepen our impact, grow our partnerships, and lead on inclusive, green innovation across the West Midlands.

Summary of our Charitable Work

Land & Environment

2024/25 has been a transformative year for the Land and Environment Team. Despite ongoing challenges in the funding landscape, the team has continued to grow and deliver meaningful, place-based environmental and community work across the region.

Relationship-building has been a key focus, and we have seen this effort rewarded — with organisations increasingly seeking us out as a delivery partner for green space improvements, nature-based wellbeing initiatives, and biodiversity recovery.

TRUSTEES REPORT



The Land and Environment Team continues to support both health and wellbeing programmes and the delivery of CSR event days in collaboration with colleagues across the organisation.

These activities not only enhance our sites and deepen community impact, but also provide valuable training and development opportunities for both staff and volunteers.

By working together across teams and building a multiskilled workforce, we're becoming stronger, more resilient, and better equipped to adapt to change—ensuring we can meet the evolving needs of the people and places we serve.



As scientific research and recognition grows around the vital role of green spaces in supporting health, wellbeing, and cohesive communities, so too does the need to provide meaningful opportunities for people to learn, engage, and build confidence in how they interact with the natural environment. This connection is more important now than ever.

We look forward to continuing to work collaboratively, strengthening partnerships and growing our impact in the years to come.

Highlights from our Nature reserves

◆ **Brickworks Biodiversity Boost**

Our work to restore aquatic habitats at The Old Brickworks continued with the support of additional funding from the Severn Trent Biodiversity Fund. This has allowed us to further improve the site's ponds and support amphibians, invertebrates, and wetland plant species.

The Old Brickworks – Land Trust Most Improved Site of 2024

Our dedication to enhancing The Old Brickworks has earned it the title of Land Trust Most Improved Site of 2024. Estate Manager Mary Doyle nominated the park, recognising the continuous improvements led by the

TRUSTEES REPORT

ranger team. With a modest budget, year-on-year enhancements have flourished, showcasing an impressive range of habitats.

"These efforts have transformed the reserve into a standout site for accessibility and safety." – Mary Doyle



Land Trust Awards



Our amazing Silverdale volunteers were recognised with the Land Trust Economy Award for championing sustainability. Through traditional coppicing, they've turned locally harvested Hazel into hedge stakes, fence posts and more—cutting our carbon footprint and embracing centuries-old eco-practice. A brilliant example of low-impact, resourceful land management.



1,650
1,650 TREES
WERE PLANTED



AWARDS
WON



Wetland Survey Highlights



20x

Increase in Great Crested
Newt Numbers



Newt pools
doubled

In the void and Waste
Farm areas



Terrestrial
amphibian habitat

Described as Excellent by
Ecologists

"It's the best terrestrial amphibian habitat we've seen in
years — a real success story for GCN conservation."

— Ellie -Eyebright Ecologist



TRUSTEES REPORT

Community Projects

Leamore Primary School

We transformed the bleak, tarmac-filled playground corner into a thriving 34.5 square meter pond area at Leamore Primary School, funded the Severn Trent Pebbles Fund.

During the summer holiday closure, our ranger team removed the tarmac, installed a pond liner, and planted native species, turning it into a biodiversity haven surrounded by a natural park and allotments. The area now inspires learning and wildlife.



Walsall Hospital: Nature in Healthcare

In partnership with Natural England and the NHS, we transformed two greenspaces at Walsall Hospital into wildlife-rich areas. The project incorporated pollinator-friendly planting, new interpretation panels, and habitat features, providing therapeutic spaces for both staff and patients.

"I had no idea we had so much green space—it's made a huge difference to our breaks." – Anna NHS Staff Member



TRUSTEES REPORT

Working together

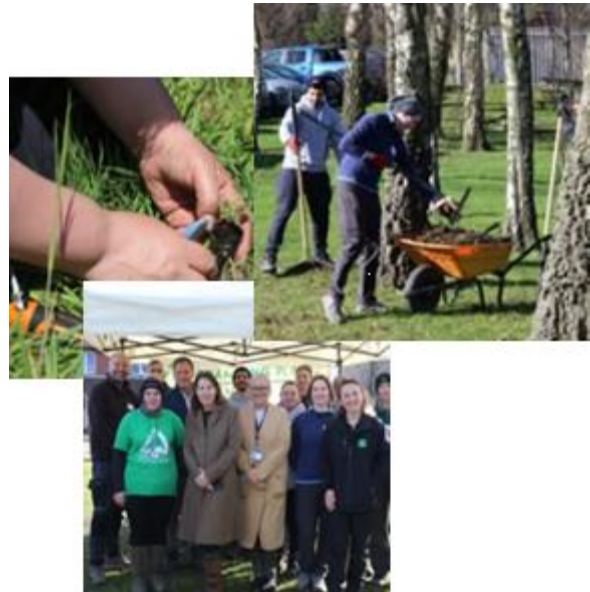
CSR

We continued to assist in the delivery of Corporate Social Responsibility (CSR) activities and health and wellbeing projects—recognising the strong alignment between these programmes and our environmental goals.

Throughout the year, we welcomed teams from across the region to our sites and community venues. These groups contributed to tree planting, habitat restoration, and site maintenance, while also gaining a deeper understanding of how green space supports community cohesion, mental wellbeing, and biodiversity.

"It's great to do something tangible that supports both people and the planet." – CSR Volunteer

By integrating CSR with our wider engagement and wellbeing programmes, we've been able to deliver more meaningful, collaborative, and lasting impact.



SEGRO Project

This revitalization effort at Baggington School transformed the garden, adding bug hotels, raised planters, a digging bed for students, and seating in the story area to inspire learning and engagement. The project offered green skills training for students, fostered hands-on learning, boosting students' connection to nature and creating a vibrant outdoor space.



"The kids are thrilled to saw, dig and plant—it's brought the garden to life and given them more to explore!" – Janice Teacher

TRUSTEES REPORT

Strategic Projects & Partnerships



Over the past 12 months, the Land and Environment team has significantly strengthened its strategic partnerships across the region, particularly in the environmental and nature-based solutions space. We are proud to have been invited to join the Trent Headwaters project as a delivery partner and project lead for the nature-based solutions element. This programme, coordinated by Staffordshire Wildlife Trust and a network of cross-sector partners, is a key example of how Groundwork's practical delivery capacity and community roots are increasingly recognised and trusted at a strategic level.

Our growing relationship with local authorities has also been a major achievement this year. By working alongside councils across the west midlands, we've helped integrate community-led green space projects into wider local plans and ambitions. Our ability to connect community energy with on-the-ground outcomes is making us a first point of contact for many partners looking to translate nature-based and sustainability concepts into reality.

Additionally, through smaller pilot projects with Natural England, we've demonstrated our ability to test and deliver innovative approaches to environmental improvement. These projects have helped establish us as a reliable delivery partner that can engage communities while meeting national priorities around biodiversity, climate resilience, and public access.

Together, these partnerships are helping us scale our impact, unlock new opportunities, and deepen our role in shaping the region's green future.

Community and Environment

Over the last year, the theme has continued to deliver successful programmes across the region. Alongside this, there has been development and growth, not only from expanding our reach and working with new communities, but in relation to our skills, the services we can now offer and the training that has been undertaken.

Projects delivered over 24/25 included;

- Go Play Sandwell
- The HuB Programme
- Corporate Volunteering programmes
- Tesco Stronger Starts
- Welcome Hongkongers
- Jobs for Hongkongers
- Waterworks Nature Hub Project
- Hateley Cross Big Local Mill Pool Projects

TRUSTEES REPORT

Tesco Community Grants

Groundwork West Midlands has continued its partnership with Groundwork UK and Tesco to deliver the Stronger Starts Grant Funding Programme. Between April 2024 and March 2025, Tesco awarded a total of £519,681 in grants to 515 not-for-profit organisations across the West Midlands. A further £80,000 was awarded to 12 other charities/community organisations as part of Tesco's Golden Grant initiative.

As part of the delivery, Groundwork West Midlands undertook the following activities:

- Promoted the funding scheme widely throughout the West Midlands region particularly focusing on groups supporting children and young people.
- Supported not-for-profit groups (such as schools, charities, community interest companies, and sports clubs) to apply for funding. Ensuring a minimum of three application in each of the 45 West Midlands regions every quarter.
- Assisted Tesco store staff in engaging with their local communities, including chairing grant funding panel selection meetings.

Feedback from groups supported to apply for funding:

"Thank you so much for your advice. This is my first grant application plus with having dyslexia it is quite difficult and time consuming, but thankfully with the information that you have given me I should hopefully have it completed by the end of the week."

Feedback from Tesco store staff:

"We love the opportunity of taking part in the panel meetings. Groundwork Staff are amazing and gives us so much information which helps us in our decisions. They are always friendly and welcoming."

Stronger Starts

GROUNDWORK

Clifton Primary School

Congratulations to Clifton Primary School who were awarded a £1000 grant from Tesco.

The school will use the funding from Tesco to update their library with new books. Teachers and pupil are excited to choose new exciting books that will challenge them and inspire a life-long love of reading.

For more information on the Tesco Stronger Start Funding Scheme please email or call your local Groundwork West Midlands grant enablers: wm.community@groundwork.org.uk, 07795 815522

Waterworks Nature Hub Project

A community gardening initiative funded by Starbucks (through their Nature Hubs funding). Starting in March 2024, to date GWWM have engaged 84 unique participants through a mix of regular community volunteering sessions, targeted group work, and seasonal events.

Activities have included:

- Clearing the overgrown vegetation and demolishing the old rotten wooden gardening beds.
- Building new raised beds with students from Queen Alexandra College (QAC).
- Summer family fun day.
- Winter wreath-making workshop that brought together 30 residents and 7 corporate volunteers.

TRUSTEES REPORT



The project has had a meaningful impact on individuals and the wider community as well as fostering partnerships with local community organisations including: QAC College, Age Concern, the Birmingham Southwest Group, Karis Neighbourhood Scheme and Starbucks.

In autumn, GWM secured further funding to continue delivering activities on the site and to expand our engagement with a wider cross-section of the community. Our upcoming plans include:

- Planting a variety of vegetables, fruit, herbs, and flowers with local residents.
- Hosting a hanging basket workshop at the nearby retirement housing scheme to engage older residents.
- Creating wildlife areas and installing bug hotels in partnership with a local school.
- Holding an autumn fruit tree planting session to further enhance the space and support biodiversity.



Support for Hong Kong BN(O)s in the West Midlands

Two programmes were delivered in 24/25:

- **Welcome Hongkongers** – Funded by the West Midlands Strategic Migration partnership and focused on providing support to help Hongkongers to integrate into life in the UK. Activities included: volunteering sessions, social/cultural activities and employment workshops.
- **Jobs for Hongkongers** – Led by The Growth Company and funded by the Ministry of Housing, Communities and Local Government, GWM, GW Five Counties, GW South and GW London were

TRUSTEES REPORT

part of this national employment programme. It focused on providing one-to-one employment support and ESOL (English for Speakers of Other Languages) lessons.

Feedback

"Thank you so much for all the wonderful activities and opportunities you have arranged for us... Your efforts and dedication have made a real difference, and I've thoroughly enjoyed being a part of your activities. Your careful planning and enthusiasm were always evident, and I really appreciate everything you've done."

"I would like to take this opportunity to thank you for your guidance and support. Your [employment] workshops were very helpful and I would never forget your amicability and unstinting devotion to helping Hongkongers. "

Case Study:



The graphic features a dark green background with blue and green circular accents. At the top left, the text '歡迎香港人' (Welcome Hong Kongers) is written in white, followed by 'Welcome Hong Kongers!' in large white font. A blue banner below this contains the title 'Employment support case study: Kirsten*'. To the left, a 'Participant profile' box lists details about Kirsten's course, age, status, and engagement. To the right, a text block describes her experience with the employment support course. At the bottom, a green quote box contains a testimonial from Kirsten, dated 7/8/24. Logos for 'GROUNDWORK' and 'West Midlands Strategic Migration Partnership' are also present.

歡迎香港人
Welcome Hong Kongers!

Employment support case study: Kirsten*

Participant profile

- **Course:** Shirley employment
- **Age:** 30s
- **Status:** moved to the UK a month or so previous
- **Engagement:** employment support/1:1s, group volunteering

Kirsten (*not her real name) attended our employment support course in Shirley (and received 1:1 support), and also took part in a group volunteering session alongside Warwickshire Wildlife Trust. When she began engaging with us, she had only very recently moved to the UK. She was always chatty on a 1:1 basis but her confidence speaking in front of others grew. A previous Environmental Science graduate and a clear self-starter, she enjoyed the Wildlife Trust volunteer session and enquired to sign up with them. She also began as an assistant swimming teacher and started to apply for employment roles.

"The employment course illustrated a general picture of the UK job seeking process and allowed me to start job hunting... I'm more confident and more familiar with the UK after taking the course. I am confident to kick start job hunting after the course. [I] certainly had a better understanding of UK customs and work culture [and] I found the CV review most helpful."

(7/8/24)

West Midlands Strategic Migration Partnership

The HuB Programme

In March 24, GWM started delivery of a new programme – a peer support service for people living in Sandwell South. The HuB (Hear you Buddy) programme is funded by Sandwell Council and supports new and expecting parents across Oldbury, Smethwick and Rowley Regis.

At GWM, we have split the programme into two key strands; the first is the engagement / delivery side, which allows the team to speak to families, establish needs and handhold them to the appropriate services. This is done through various engagement techniques, from Wellies in the Woods courses across local parks

TRUSTEES REPORT

and green spaces, Fatherhood stay and plays across the winter months in the three towns, and Hub-on-the-Go, (a mobile stay and play for parents) to come and chill and chat with the team and other parents who have experienced the trials and tribulations of being a new parent.

The other strand of the programme is the one-to-one support that is offered to families. This is through referrals from our peer support partners and health visitors and has led to the team supporting families in a range of different ways, whether it be handholding them into attending their local Family Hub, supporting them in applying for housing, or attending employment clubs with them.

In 24/25, around 89% of parents who completed a registration form demonstrated an increase of awareness of local services and improvement in mental health, with the other 11% maintaining their levels. The team has worked very hard to establish and raise our profile in this area of work with families by attending health visitor meetings, public health meetings and community networking events.

Case study

From a referral from Singlepoint via Black Country Healthcare, GWWM were able to work with a mum (33), and her three children (12, 2 & 1) from the Rowley area.

After an initial discussion with her on the phone, it was identified that she was starting to feel isolated, and after attending two family parties in the previous weeks, she felt like she needed to go out and meet new people, but didn't know the best way to do this.

It was mentioned that Rowley Regis had a twilight stay and play that she could attend, and it would be a really good chance for her to meet likeminded parents. Due to her anxiety of being in a room of new people, a member of the team attended the session with her.

It also gave the team member the opportunity to discuss with her the different provisions available at the Hub, as well as being able to arrange an initial consultation with the staff to see how else she could be supported.

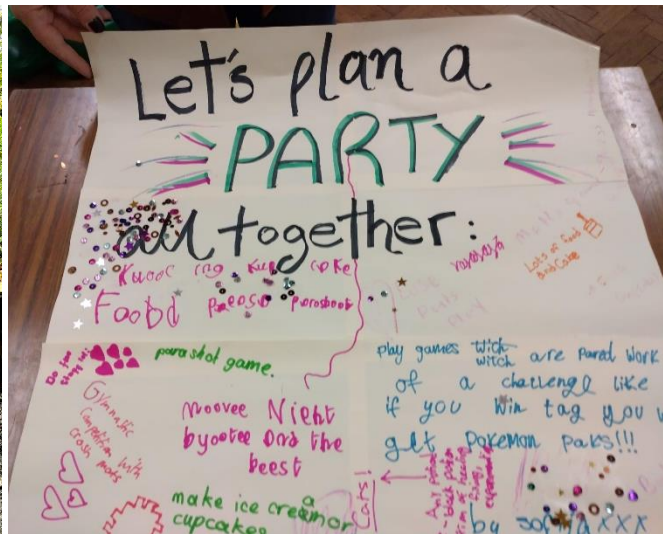
The best thing for her was actually being able to hear other mums talking about issues that she thought only applied to her, and has helped her confidence greatly. She has since started attending a Wellies in the Woods course in Rowley, and has also said that she will attend our Hub on the Go sessions in the next quarter.

Go Play Sandwell

GWWM is funded by Sandwell Council to deliver the Go Play Sandwell programme in Tipton. The programme entails the delivery of free play opportunities for children and young people aged 6-12 years and up to 16 if SEN-D.

Over 24/25, around 200 hours of play activities were delivered, working with over 500 children in Tipton aged 6-12, and around 1,100 in total.

As well as delivering high quality play sessions across the town, the team have had an increased focus on child-led play and co-creation, and also worked in the community to help establish play as an integral part of development.



The children enjoy attending sessions, with the middle child in particular gaining confidence and using his voice more and more each session. In total, the family have attended nine sessions across the tree wards, and plan to continue attending sessions in the future.

TRUSTEES REPORT

Corporate Volunteering Programmes (HS2 and General CSR Events)

GWWM continued to work with businesses across the region to deliver corporate volunteer events that support a variety of organizations and positively transform local communities and spaces.

In 24/25, 15 HS2 corporate volunteer days and 12 general CSR events were delivered. We hosted 12 different corporates groups across the region, which included PwC, JLL, Pfizer and Dalcour Maclaran.



New to this year was the delivery of winter volunteering events with HS2. Rather than outdoor work, volunteers supported existing GWWM community projects, adding their time and resources to deliver new activities to support those communities;

A Christmas wreath making event on the Waterworks estate (Nature Hub Project) and a play bags packing event in Tipton (supporting Go Play families). Overall, 50 wreaths and 200 play packs were distributed to communities.



An 'enhanced' volunteering programme was delivered with TeacherActive, a £8k project which entailed the development of a school site in Smethwick to transform it with the volunteers into a new Forest School space.

TRUSTEES REPORT



Before and after the transformation at
Annie Lennard Primary School...



Feedback

"The Groundwork team were amazing, giving us clear guidance on what to do and support when needed."

"I felt joyful and blissful, with a greater sense of wellbeing and connection with nature."

"Lovely atmosphere. Very inclusive and enjoyed learning a new activity."

"Absolutely loved my day and enjoyed listening to the staff there who were very knowledgeable on so many different aspects of the park and why things were done there."

Looking ahead to 2025 / 2026...

Six existing **Community & Environment programmes** will continue — building on last year's achievements and scaling the most impactful work.

Our future focus will be on:

- **Targeting greatest need:** Strategically prioritising our resources and partnerships to deliver lasting, meaningful outcomes in the areas where they matter most.
- **Amplifying local voices:** Involving community members in decision-making to ensure our initiatives are relevant, empowering, and reinforce local strengths.
- **Driving collaboration & innovation:** Working alongside partners to pioneer new approaches and maximise collective impact.

These actions collectively reinforce our commitment to sustainable and community-led change.

TRUSTEES REPORT

Employment Support.

Restart – Tipton, Dudley, Halesowen and Walsall

Restart is a DWP funded project and is payment by results.

Supporting all age ranges to break down barriers to employment and move them into work, such as debt, housing, substance dependency – through to the interview prep, motivation and confidence etc. This project comes with many strict customer service standards that all partners must achieve as well as specified employment targets each month.

Since the last annual report and due to our success delivering the project we have been awarded further allocation in different areas. As a result of this increase in allocation, it was a DWP requirement for us to invest in ISO27001. We have successfully achieved this in the early part of 2025.

We have opened new offices in Halesowen and Walsall. Serco the prime contract holder has also awarded us extra allocation. This can be demonstrated with the following case study...

A recent Rapid Response Job Club session delivered a powerful boost to local residents who have been struggling with long-term unemployment, thanks to a unique collaboration with the **Green Doctor** team.

Held at the community hub, the session brought together jobseekers, a dedicated Rapid Response employability coach, and a professional trainer, all focused on helping individuals take positive steps toward re-entering the workforce after extended periods without employment.

But the support didn't stop at job searching.

The session was enhanced by the presence of the **Green Doctor team**, who provided one-to-one advice on reducing household energy costs. Their support included guidance on switching energy tariffs, accessing grants and schemes, and adopting practical energy-saving habits—an essential service as many attendees face financial hardship alongside joblessness.

One participant shared: *“Being out of work for so long has been tough, but today gave me a real confidence boost. I got help with my CV, some job leads, and I learned how to save money on my bills. It's been a lifeline.”*

The job club offered tailored support to each attendee, including help with job applications, confidence building, interview techniques, and identifying transferable skills. The team created a warm and inclusive space where participants felt seen, supported, and optimistic about their future.

“Many of the people we meet have lost hope after being out of work for a long time,” said the employability coach. “Our goal is to help them believe in themselves again—and with practical tools from the Green Doctor team, we're also supporting them to manage life outside of work.”

The session marks a growing partnership between employment and energy advice services—showing how collaborative, person-centred approaches can make a real difference in the lives of those facing multiple barriers to employment.

Organisers are now exploring ways to replicate this model in other areas, aiming to reach more individuals who are ready to take their first steps back into work, with the right support around them.

TRUSTEES REPORT



All supply chain providers have also had a series of training observations carried out by Serco, and we are the only provider to score 100%

Along with this, Groundwork also remain ranked in 1st place for 12 month rolling performance:

2024/2025 – Employment Theme

During 2024 we have worked in collaboration with the Kings Trust, delivering UKSPF funded provision “People and Skills” in the Birmingham area. This relationship is going from strength to strength and we are in regular talks about future project collaborations. 2025 saw us awarded an extension of this programme through to 2026.

With this experience and performance evidence, we were able to bid for the same funding from Sandwell Council and we were awarded the funding to deliver this in the Black Country area 2025/2026 which is due to start delivery in July 2025.

TRUSTEES REPORT

Financial Performance

The result for 2024/25 shows a surplus before investments gains of £206,264 (2024: gain £19,150) on turnover of £4,147,377 (2024: £3,185,788).

The Trustees in 2015 agreed to invest the free reserves to create an income to be used to fund future operating costs of the Trust. Circa £1.27 million was invested and during 2024/25 this resulted in net gain of £8,789 (2024: net gains £123,271) bringing a result of a profit of £215,053 (2024: gain £124,421).

We review all operating areas of the Trust on a regular basis to ensure that we continue to trade on a sustainable basis and consider all opportunities presenting themselves in order that the Trust remains financially stable whilst delivering our strategic aims.

Reserves

In line with our three-year financial strategy our trustees have agreed to set a minimum level of free reserves at 15% of annual turnover or a minimum of £300k.

As at 31 March 2025 Groundwork West Midlands has total unrestricted reserves of £1,777,641 within which are free reserves of £1,765,093 after taking into account fixed assets.

The free reserves will enable Groundwork West Midlands to:

- manage known short term commitments that the Charity is exposed to in the course of its business and to fund the usual retrospective nature of programme funding
- respond to unplanned/unforeseen downturn, covering up to 6 months of overhead and salary costs of the organisation
- Designate funds for Strategic Investment

Groundwork West Midlands – Strategic Investment Rationale

Context

Groundwork West Midlands (GWWM) operates in a dynamic and increasingly pressured environment, marked by rising community needs, tightening public sector funding, and heightened demand for evidence of impact and financial sustainability. GWWM has demonstrated significant success in project delivery and community impact, underpinned by a relatively stable financial base with reserves currently standing at circa £1.7 million.

Strategic Imperative for Business Development Investment

In line with the 2025–2029 Strategic Review and NCVO’s sector guidance (Road Ahead 2024), GWWM must now shift from a reactive funding model to a proactive, income-generating and enterprise-oriented approach. Designating reserves to support this transition is critical for the following reasons:

Diversification of Income and Reduced Grant Dependency

Strategic reserve investment will enable the development of new revenue streams—such as accredited training, corporate CSR services, and community enterprise—that generate unrestricted income and reduce vulnerability to funding fluctuations.

TRUSTEES REPORT

Capacity Building and Future-Proofing

Investment in business development roles, tools, and pilot infrastructure will build delivery capacity, improve bidding success, and attract matched funding or contracts.

Unlocking External Funding and Partnerships

Initial investment from reserves demonstrates commitment and enables GWWM to attract co-investment from corporates, foundations, and government sources.

Scaling Proven Initiatives with Income Potential

Corporate Volunteering, accredited training, and The People's Patch show high demand. Scaling these services requires upfront investment in staff, marketing, and infrastructure.

Aligning with Federation and National Strategy

Groundwork Federation's 2023–2028 goals encourage Trusts to build the green economy, create jobs, and become more self-financing. Designating reserves supports this mission.

Community Café

Running a community café directly complements and will enhance GWWM's work by providing a space that will provide work experience opportunities for Restart clients, fosters community connections, supports health and wellbeing, promote sustainability, offers skills development, and strengthen the local economy. It will enhance the charity's impact by providing a tangible, everyday service that embodies its broader mission of improving lives and places.

IT Infrastructure

Implementation of a cloud based secure, scalable finance and operations platform built on Microsoft Dynamics 365 Business Central to enable business growth and future-proofing of the organisation.

Conclusion

Designating a portion of reserves for business development is not a cost—it is a strategic investment in GWWM's future viability, social impact, and leadership within the region. This approach ensures GWWM can continue to meet its mission, respond to emerging community needs, and remain a trusted and innovative delivery partner over the next five years.

Any income or donations that are received and deemed to be restricted funds are accounted for separately with our Financial Statements. Any monies held longer than the statutory minimum retention period after the end of the project, that was deemed restricted, will be reclassified and transferred to unrestricted reserves at the end of that period.

This transfer policy is based on the Statutory Record retention principals. Any funds still restricted beyond the statutory minimum retention period will be reclassified as Unrestricted. This is based on our own Records and Archiving Policy; we believe the funding organisations will have destroyed previous

TRUSTEES REPORT

records, as have we, so they will no longer hold information to base future audit requests on, which may have resulted in requests for clawback or return of unspent funds.

The Board will keep its reserves policy under review to ensure that an appropriate balance is maintained between developing reserves to provide:

- sufficient funds to meet its forward obligations.
- a reserve against unforeseen events.
- adequate resources to fund new initiatives in order to promote the charitable objects.

Pension arrangements

The Trust currently offers two types of pension arrangement:

1. A pension plan through Friends Provident or AEGON (as recommended by Groundwork UK) where employees pay a minimum of 4.5% of salary to Groundwork and a minimum 12% of salary is remitted to Friends Provident or AEGON.
2. A pension plan through AEGON where employees pay a minimum of 4.5% of salary to Groundwork and a minimum 9% of salary is remitted to AEGON. This AEGON stakeholder scheme is also offered to employees after completion of 3 month's service.

Principal funding sources

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

- **Private sector grants and contracts** - £2.738m (£2.281m in 2023/24)

This includes funds provided by businesses, charitable trusts and foundations. This includes the Serco Restart Scheme funded by Department for Work & Pensions. It also includes sales income from Sustainable Business Services.

- **Public sector grants and contracts** - £1.368m (£873k in 2023/24)

This includes funding secured to deliver programmes and services on behalf of government departments, public bodies and lottery distributors. Major funders during 2023/24 included the National Lottery Community Fund, the European Social Fund and The Land Trust.

Expenditure on charitable objectives

In line with the objectives set in our Groundwork 2021 strategy, our expenditure in the year was directed towards the following activities.

- **Community projects** - £2.1m (2023/24: £1.8m)

Creating opportunities and delivering projects to improve people's lives and neighbourhoods

- **Employment projects** - £1.5m (2023/24: £1.2m)

Removing barriers to employment to help people get back into work

- **Running Groundwork West Midlands** – £23.5k (2023/24: £22k)

Ensuring Groundwork West Midlands is efficient, effective and flexible and generates maximum revenue from its assets and investments to support its charitable objects.

TRUSTEES REPORT

Principal Risks and Uncertainties

Groundwork West Midlands holds a high level risk register that Trustees review quarterly. Risks are categorised as Strategic, Governance, Regulatory, Financial, Operational and a score is attributed to the potential impact of named risks, multiplied by the score attributed to the likelihood of the event occurring. Mitigating actions are identified and a status report provided so that Trustees can take assurance that routine or exceptional issues are identified in good time and how they will be addressed.

A key risk was our inability to see through the three-year financial strategy, some of which was dependent on achieving business growth in a very uncertain financial economic landscape. Significant progress was made, and all of our key critical success factors were achieved ahead of schedule such as capitalising property, reducing overheads, recruitment of the permanent chief executive and investment in development activities.

Powers of investment

The Trustees are authorised by the Memorandum of Association to invest monies not immediately required for the charity's own purposes in such investments, securities or property as they deem fit subject to any conditions required by law.

This subject is discussed at Board level. The current thinking is that, where possible, monies should be held in easily accessible cash accounts primarily in order to facilitate the rapid set up of beneficial projects. Investments are made in line with our Investment Policy, reviewed annually at a Board Meeting with our Wealth Management Company.

Statement of Trustees Responsibilities

The Trustees (who are also Directors of Groundwork West Midlands for the purposes of company law) are responsible for preparing the Trustees' report (including the Strategic report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and

TRUSTEES REPORT

detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware; and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This report was approved by the Trustees, on 23rd October 2025 and signed on their behalf by:



A Simpson, Chair

INDEPENDENT AUDITORS REPORT

Opinion

We have audited the financial statements of Groundwork West Midlands for the year ended 31 March 2025 which comprise the Statement of Financial Activities, Balance Sheet and Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of the incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

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 Charity 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 trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

INDEPENDENT AUDITORS REPORT

appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the Directors' 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 Directors' 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 light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept; 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 3 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.

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.

INDEPENDENT AUDITORS REPORT

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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 might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company's for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Employment legislation and Taxation legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing 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, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, 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 non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

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

INDEPENDENT AUDITORS REPORT

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.



Helen Blundell

LLB FCA FCIE DChA

(Senior Statutory Auditor)

For and on behalf of

Crowe U.K. LLP,

Statutory Auditor

Black Country House

Rounds Green Road

Oldbury

West Midlands

B69 2DG

Date: 26 November 2025

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR
ENDED 31 MARCH 2025**

		Unrestricted Funds 2025	Restricted Funds 2025	Total Funds 2025	Total Funds 2024
	Note	£	£	£	£
INCOME FROM:					
Donations and legacies	3	520	-	520	100
Charitable activities	4	2,658,078	1,448,222	4,106,300	3,155,392
Other Trading activities	5	7,989	-	7,989	3,093
Investments	6	31,267	-	31,267	25,634
Other Income		1,261	-	1,261	1,570
TOTAL INCOME		2,699,115	1,448,222	4,147,337	3,185,789
EXPENDITURE ON:					
Raising funds	7	85,300	-	85,300	95,438
Charitable activities	8	2,438,626	1,417,147	3,855,773	3,071,200
TOTAL EXPENDITURE		2,523,926	1,417,147	3,941,073	3,166,638
NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS		175,189	31,075	206,264	19,150
Net (losses)/gains on investments		8,789	-	8,789	123,271
NET EXPENDITURE BEFORE TRANSFERS		183,978	31,075	215,053	142,421
Transfer between Funds	16	745	(745)	-	-
NET INCOME / (EXPENDITURE)		184,723	30,330	215,053	142,421
RECONCILIATION OF FUNDS:					
Total funds brought forward		1,592,918	79,758	1,672,676	1,530,254
TOTAL FUNDS CARRIED FORWARD		1,777,641	110,088	1,887,729	1,672,675

The notes on pages 37 to 53 form part of these financial statements.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

CHARITY BALANCE SHEET
AS AT 31 MARCH 2025

		2025		2024	
	Note	£	£	£	£
FIXED ASSETS					
Tangible assets	12		12,548		8,536
Investments	13		<u>1,287,802</u>		<u>1,279,013</u>
			1,300,350		1,287,549
CURRENT ASSETS					
Debtors	14	617,787		600,053	
Cash at bank and in hand		640,176		337,333	
		<u>1,257,963</u>		<u>937,386</u>	
CREDITORS: amounts falling due within one year	15	<u>(670,584)</u>		<u>(552,259)</u>	
NET CURRENT ASSETS / LIABILITIES			<u>587,379</u>		<u>385,127</u>
NET ASSETS			<u>1,887,729</u>		<u>1,672,676</u>
CHARITY FUNDS					
Restricted funds	16		110,088		79,758
Unrestricted General Funds	16		1,107,641		1,592,918
Unrestricted Designated funds	16		<u>670,000</u>		<u>-</u>
TOTAL FUNDS			<u>1,887,729</u>		<u>1,672,676</u>

The surplus for the year dealt with in the accounts of the Charity was £215,053 (2024 – £142,422).

The Trustees acknowledge their responsibilities for complying with the requirement of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on 23rd October 2025 and signed on their behalf, by:



A Simpson, Chair

The notes on pages 37 to 53 form part of these financial statements

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

CASH FLOW STATEMENT	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash used in operating activities	18	284,920	<i>(10,360)</i>
Cash flows from investing activities:			
Dividends, interest and rents from investments		31,267	<i>25,634</i>
Proceeds from the sale of tangible fixed assets		-	-
Purchase of tangible fixed assets		(13,344)	-
Proceeds from sale of investments		-	-
Purchase of investments		-	-
Net cash provided by investing activities		17,923	<i>25,634</i>
Change in cash and cash equivalents in the year		302,843	<i>15,274</i>
Cash and cash equivalents brought forward		337,333	<i>322,059</i>
Cash and cash equivalents carried forward		640,176	<i>337,333</i>

The notes on pages 37 to 53 form part of these financial statements.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

1. COMPANY INFORMATION

Groundwork West Midlands (the charity) is a Company Limited by Guarantee, registered in England. The registered office is First Floor Owen House, 17 Unity Walk, Tipton, DY4 8QL. Groundwork West Midlands helps to strengthen communities by delivering health, wellbeing, youth, employment and green projects across the West Midlands.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Groundwork West Midlands 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.

In the opinion of the Trustees the size and assets of the subsidiary mean that the presentation of the combined results and financial position in consolidated statements is not material for the purpose of giving a true and fair view. These financial statements present the results and position of the Charity as a single entity and not as a group.

2.2 Going concern

The Trustees consider they have sufficient reserves and cash to continue operating on a going concern basis for the foreseeable future.

As stated in the Trustee's Report, Trustees believe there are no material uncertainties that call into doubt the Charities ability to continue as a going concern and the accounts have therefore been prepared on the basis that the Charity is a going concern. In the short term cash holdings are sufficient to ensure adequate cash flow for the foreseeable future. In the medium to long term plans for, and the structure of, Groundwork West Midlands remain extant and will continue to be reviewed regularly.

2.3 Company status

The Charity is a company limited by guarantee. The members of the company are the Trustees named on page 44. 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.

2.4 Funds

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2.5 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.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

2.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity.

Governance costs are those incurred in connection with management of the charity's assets, organisational administration and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

All costs are allocated between expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of resources. Costs relating to a particular activity are allocated directly. Remaining shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	- 20% straight line
Furniture, fixtures and vehicles	- 20% straight line
Computer equipment	- 25% straight line
Motor vehicles	- 25% straight line

2.8 Investments

Fixed asset investments are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/ (losses) on investments' in the Statement of financial activities.

Subsidiary undertakings:

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 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 at the balance sheet date.

Debtors

Trade and other debtors are recognised at the settlement amount.

Creditors

Short term creditors are measured at the transaction price.

2.10 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

FINANCIAL STATEMENT NOTES

2.11 Significant judgements and estimates

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

Significant judgements

There are no significant judgements having a material effect on the financial statements.

Significant estimates

There are no significant estimates having a material effect on the financial statements.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted Funds 2025 £	Restricted funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
Donations	520	-	520	100
	520	-	520	100
Total 2024	100	-	100	

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2025 £	Restricted funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
Community Projects	967,052	1,319,590	2,286,642	1,857,190
Employment Projects	1,638,096	73,677	1,711,773	1,264,241
Business Projects SBS	52,930	54,955	107,885	33,961
	2,658,078	1,448,222	4,106,300	3,155,392
Total 2024	2,178,498	976,894	3,155,392	

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

Income from projects provided by:

	Unrestricted Funds 2025 £	Restricted funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
Central Government	-	74,226	74,226	34,742
Local Authorities	-	1,008,065	1,008,065	518,019
Public Agencies	272,852	10,666	283,518	299,271
European Union	-	-	-	-
National Lottery	-	2,499	2,499	21,578
Private Sector	2,385,226	352,766	2,737,992	2,281,782
	2,658,078	1,448,222	4,106,300	3,155,392

LOTTERY FUNDING

	2025 £	2024 £
BIG Lottery		
New to Nature	2,499	14,445
Building Better Opportunities	-	6,206
Picnic in the Park	-	927
Total	2,499	21,578

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

5. OTHER TRADING ACTIVITIES

	Unrestricted Funds 2025 £	Restricted funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
Other Income	7,989	-	7,989	3,093
	7,989	-	7,989	3,093
Total 2024	3,903	-	3,903	

6. INVESTMENT INCOME

	Unrestricted Funds 2025 £	Restricted funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
Dividend Income	31,267	-	31,267	25,634
	31,267	-	31,267	25,634
Total 2024	25,634	-	25,634	

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

7. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff Costs 2025 £	Depreciation 2025 £	Other Costs 2025 £	Total 2025 £	Total 2024 £
Expenditure on raising funds	68,405	-	16,895	85,300	95,438
Costs of raising funds	68,405	-	16,895	85,300	95,438
Community Projects	906,873		1,261,632	2,168,505	1,780,565
Employment Projects	1,114,682		435,826	1,550,508	1,227,786
Business Projects SBS	71,135		42,087	113,222	40,074
Running Groundwork WM	2,174	9,330	12,034	23,538	22,775
Charitable Activities	2,094,864	9,330	1,751,579	3,855,773	3,071,200
	2,163,269	9,330	1,768,474	3,941,073	3,166,638
Total 2024	1,740,611	9,791	1,416,236	3,166,638	

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2025 £	Support Costs 2025 £	Total 2025 £	Total 2024 £
Community Projects	1,880,971	287,534	2,168,505	1,780,565
Employment Projects	1,288,045	262,463	1,550,508	1,227,786
Business Projects SBS	104,804	8,418	113,222	40,074
Running Groundwork WM	-	23,538	23,538	22,775
	3,273,820	581,953	3,855,773	3,071,200
Total 2024	2,554,982	516,218	3,071,200	

Summary by Fund Type:

	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
Community Projects	879,245	1,289,260	2,168,505	1,780,565
Employment Projects	1,476,831	73,677	1,550,508	1,227,786
Business Projects SBS	59,012	54,210	113,222	40,074
Running Groundwork WM	23,538	-	23,538	22,775
	2,438,626	1,417,147	3,855,773	3,071,200
Total 2024	2,112,907	958,293	3,071,200	

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

9. SUPPORT COSTS

	2025	<i>2024</i>
	£	<i>£</i>
General Office	115,461	<i>100,062</i>
IT, Office equipment and maintenance	281,792	<i>275,022</i>
Human Resources	35,013	<i>22,402</i>
Finance and Legal	83,097	<i>55,924</i>
Governance	54,556	<i>51,792</i>
Investment Management Fees	12,034	<i>11,016</i>
	581,953	<i>516,218</i>

10. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2025	<i>2024</i>
	£	<i>£</i>
Depreciation of tangible fixed assets:	9,330	<i>9,791</i>
Auditors Remuneration	12,000	<i>13,340</i>
Operating Leases	151,584	<i>120,831</i>

During the year, no Trustees received any remuneration or other Benefits (2024 - £NIL).

During the year, Trustees received reimbursement of expenses totalling £NIL (2024 - £NIL) for travel and accommodation.

In accordance with normal commercial practice the charity have purchased Trustee indemnity insurance. The insurance provider covers up to £5 million on any one claim and the cost of the policy for the year is £12,845.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

11. STAFF COSTS

Staff costs were as follows:

	2025	<i>2024</i>
	£	<i>£</i>
Wages and Salaries	1,913,818	<i>1,537,732</i>
Social Security costs	169,318	<i>134,522</i>
Pension Costs	80,133	<i>68,357</i>
	2,163,269	<i>1,740,611</i>

The average number of persons employed by the Charity during the year was as follows:

	2025	<i>2024</i>
	No	<i>No.</i>
Direct Charitable	60	<i>54</i>
Fundraising and Publicity	1	<i>2</i>
Administration	8	<i>2</i>
	69	<i>58</i>

The number of higher paid employees was:

	2025	<i>2024</i>
	No	<i>No.</i>
In the band £80,001-£90,000	1	<i>1</i>
	1	<i>1</i>

Total contributions under defined contribution schemes on behalf of this higher paid employee were £6,375 (2024: £6,375).

At the year-end retirement benefits were accruing to 1 (2024: 1) higher paid employee under defined contribution schemes.

Key management personnel received total remuneration of £352,480 (2024: £300,896).

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

12. TANGIBLE FIXED ASSETS

	Furniture, Fixtures, Equipment & vehicles £	2025 Total £
Cost		
At 1 April 2024	170,367	170,367
Additions	13,344	13,344
Disposals	-	-
At 31 March 2025	<u>183,711</u>	<u>183,711</u>
Depreciation		
At 1 April 2024	161,833	161,833
Charge for the year	9,330	9,330
On disposals	-	-
At 31 March 2025	<u>171,163</u>	<u>171,162</u>
Net book value		
At 31 March 2025	12,548	12,548
At 31 March 2024	8,536	8,536

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

13. FIXED ASSET INVESTMENTS

Charity	Listed Securities
	£
Market Value	
At 1 April 2024	1,279,013
Additions	-
Disposals	-
Revaluations	8,789
At 31 March 2025	1,287,802
At 31 March 2024	1,279,013

Investments at market value comprise:

	UK	Overseas	Total	Total
	£	£	2025	2024
	£	£	£	£
Listed Investments	231,799	1,056,003	1,287,802	1,279,013

Material Investments

The following investments represent more than 5% of the portfolio:

	2025	2024
	£	£
UBS ETF SICAV BLB BARCLAYS MSCI UK	66,573	67,552
UBS ETF SICAV MSCI Pacific SOC RES	65,892	67,118
UBS ETF PLC MSCI UK SOC RES UCITS ETF	152,321	142,048
UBS ETF SICAV MSCI USA Socially Resp UCIT	454,011	462,884
UBS ETF SICAV MSCI EMU SOC RESP CL A GBP	183,867	174,971
ISHARES II PLC Core UK Gilts UCITS	35,897	37,668
ISHARES II PLC GBP Index-Inkd Gilts UCITS	43,581	50,108
BLACKROCK FXD INC ISHARES GREEN BD IDX	91,599	88,582
UBS ETF SICAV MSCI EMRGNG MRKTS SOC RES	61,199	57,861
GS 5Y HNX CALL SPX UKX	132,862	130,221
	1,287,802	1,279,013

	Listed Securities	Undertakings	Total
	£	£	£
At 1 April 2024	1,279,013	1	1,279,014
Additions	-	-	-
Disposals	-	-	-
Revaluations	8,789	-	8,789
At 31 March 2025	1,287,802	1	1,287,803

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

Investments at cost comprise:

	UK	Overseas	Total 2025	Total 2024
	£	£	£	£
Listed Investments	231,799	1,056,003	1,287,802	1,279,013
Subsidiary Undertaking	1		1	1
Total	231,800	1,056,003	1,287,803	1,279,014

14. DEBTORS

	2025	2024
	£	£
Trade debtors	520,277	350,531
Other debtors	-	916
Prepayments and accrued income	97,510	248,606
Total	617,787	600,053

15. CREDITORS: Amounts falling due within one year

	2025	2024
	£	£
Trade creditors	71,870	148,722
Other taxation and social security	136,573	60,003
Clawback creditors	-	-
Amounts owed to Subsidiary Undertaking	1	1
Accruals and deferred income	462,140	343,533
Total	670,584	552,259

Deferred income

Movements in deferred income during the year were as follows:

	Balance at 1 April 2024	Amount released to incoming resources	Amount deferred in the year	Balance at 31 March 2025
	£	£	£	£
Community Projects	271,007	(271,007)	346,276	346,276
Employment Projects	15,348	(15,348)	44,160	44,160
Business Projects	6,125	(6,125)	8,633	8,633
Total	292,480	(292,480)	399,069	399,069

Deferred Income comprises commission income received in advance.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

16. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Balance at 31 March 2025 £
Unrestricted funds						
General Funds	1,592,918	2,699,115	(2,523,926)	(669,255)	8,789	1,107,641
Designated Funds	-	-	-	670,000	-	670,000
	1,592,918	2,699,115	(2,523,926)	745	8,789	1,777,641
Restricted Funds						
Community	79,758	1,319,590	(1,289,259)	-	-	110,088
Employment	-	73,677	(73,677)	-	-	-
SBS	-	54,955	(54,210)	(745)	-	-
	79,758	1,448,222	(1,417,146)	(745)	-	110,088
Total of Funds	1,672,676	4,147,337	(3,941,072)	-	8,789	1,887,729

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Balance at 31 March 2025 £
Unrestricted Funds	1,592,918	2,699,115	(2,523,926)	745	8,789	1,777,641
Restricted Funds	79,758	1,448,222	(1,417,147)	(745)	-	110,088
Total of Funds	1,672,676	4,147,337	(3,941,073)	-	8,789	1,887,729

The unrestricted general funds of the charity are those that are not designated for a particular purpose.

The restricted funds of the charity are those that are received for a particular purpose and these encompass the following activities:

Community and general - building stronger neighbourhoods through the provision of community consultations and training and support for community and resident groups.

Employment – working with unemployed individuals, supporting them into employment, education or training.

The transfers during the year represent amounts to either top up restricted projects using unrestricted funds available, and/or transfer any remaining completed project surplus to unrestricted funds in line with the agreement.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Balance at 31 March 2024 £
Unrestricted funds						
General Funds	1,446,160	2,208,895	(2,208,345)	22,937	123,271	1,592,918
Restricted Funds						
Community	84,094	970,687	(958,227)	(16,796)	-	79,758
Employment	-	6,207	(66)	(6,141)	-	-
	84,094	976,894	(958,293)	(22,937)	-	79,758
Total of Funds	1,530,294	3,185,789	(3,166,638)	-	123,271	1,672,676

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Balance at 31 March 2024 £
Unrestricted Funds	1,446,160	2,208,895	(2,208,345)	22,937	123,271	1,592,918
Restricted Funds	84,094	976,894	(958,293)	(22,937)	-	79,758
Total of Funds	1,530,294	3,185,789	(3,166,638)	-	123,271	1,672,676

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted Funds 2025 £	Restricted funds 2025 £	Total Funds 2025 £
Tangible fixed assets	12,548	-	12,548
Fixed Asset investments	1,287,802	-	1,287,802
Current assets	1,147,875	110,088	1,257,963
Creditors due within one year	(670,584)	-	(670,584)
	1,777,641	110,088	1,887,729

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted Funds 2024 £	Restricted funds 2024 £	Total Funds 2024 £
Tangible fixed assets	8,536	-	8,536
Fixed Asset investments	1,279,013	-	1,279,013
Current assets	857,628	79,758	937,386
Creditors due within one year	(552,259)	-	(552,259)
	1,592,918	79,758	1,672,676

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

	2025 £	2024 £
Net expenditure for the year (as per Statement of Financial Activities)	215,054	142,421
Adjustment for:		
Depreciation and amortization charges	9,330	9,791
(Gains)/losses on investments	(8,789)	(123,271)
Dividends, interest and rents from investments	(31,267)	(25,634)
(Increase)/decrease in debtors	(17,734)	(55,067)
Increase/(decrease) in creditors	118,326	41,400
	284,920	(10,360)

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2025 £	2024 £
Cash in hand	640,176	337,333
Total	640,176	337,333

20. ANALYSIS OF NET DEBT

	At 1 April 2024 £	Cash Flows £	At 31 March 2025 £
Cash at bank and in hand	337,333	302,843	640,176
Debt due within 1 year	-	-	-
	337,333	302,843	640,176

21. PENSION COMMITMENTS

The Trust currently offers two types of pension arrangement:

1. A pension plan through Friends Provident or AEGON (as recommended by Groundwork UK) where employees pay a minimum of 4.5% of salary to Groundwork and a minimum 12% of salary is remitted to Friends Provident or AEGON.
2. A pension plan through AEGON where employees pay a minimum of 4.5% of salary to Groundwork and a minimum 9% of salary is remitted to AEGON. This AEGON stakeholder scheme is offered to employees after completion of 3 months' service

Contributions totaling £15,911 (2024: £11,348) were payable at the year end and are included in creditors.

22. OPERATING LEASE COMMITMENTS

At 31 March 2025 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

Charity	2025 £	2024 £
Amounts payable:		
Not later than 1 year	29,413	17,927
Later than 1 year and not later than 5 years	97,083	87,757
Total	126,496	105,684

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

23. FINANCIAL INSTRUMENTS

	2025	<i>2024</i>
	£	<i>£</i>
Financial assets		
Investment in Listed Securities	<u>1,287,802</u>	<u>1,279,013</u>
Trade Debtors	520,277	350,531
Accrued Income	<u>37,820</u>	<u>197,730</u>
Financial Assets measured at amortised cost	558,097	<i>548,261</i>
 Financial liabilities		
Trade Creditors	71,870	<i>148,722</i>
Accruals	<u>59,689</u>	<u><i>50,876</i></u>
Financial Liabilities measured at amortised cost	131,559	<i>199,598</i>

Financial assets measured at fair value through income and expenditure comprises investments in listed securities.

Financial assets measured at amortised cost comprise trade debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors and accruals.

ADVISORS

Auditors

Crowe U.K. LLP
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Bankers

The Co-operative Bank
PO Box 250
Skelmersdale
WN8 8WT

Investment Managers

UBS AG Wealth Management
10 Colmore Row
Birmingham
B3 2QD

Oculus Wealth Management
Game Keepers Cottage
Woodhouse Lane
Nanpantan
Loughborough
Leicestershire
LE11 3YG

Solicitors

Clowes & Co
112 Baddeley Green Lane
Baddeley Green
Stoke-on-Trent
Staffordshire ST2 7HA

Veale Wasbrough Vizards
3 Brindley Place
Birmingham
B1 2JB

The Board of Trustees

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

Appointed trustees

A Simpson, Chair

I Priest

R Tappia Resigned 18/07/2024

B Bickerton

P Farrell

L Campbell

Company Secretary

Deborah Williams

Committees of the Board

Finance and Audit Committee

Chair – Ian Priest

HR, Equality, Diversity & Inclusion Committee

Chair – Lyndon Campbell

Chief Executive

Andrew Thompson



Contact us

Groundwork West Midlands
First Floor Owen House,
17 Unity Walk, Tipton, DY4 8QL

www.groundwork.org.uk/hubs/westmidlands

Tel: 0121 530 5500

E-mail: westmids@groundwork.org.uk

Twitter: @GWWM

Facebook: /groundworkwestmids

Instagram: @GroundworkWestMids

LinkedIn: Groundwork West Midlands

Charity Registration Number: 1128858

Company Registration Number: 06823225

Accounts



Groundwork West Midlands

Annual Report and Financial Statements 2023/24

Charity registration number
1128858

Company registration number
06823225

Registered office:
First Floor Owen House
17 Unity Walk
Tipton
DY4 8QL

Contents

Page

1	About Groundwork West Midlands
2-21	Trustees Report
2	Message from the Chair
3	Governance
5	Objects and Public Benefit
6	Strategic Report
19	Financial Performance
20	Principal Risks and Uncertainties
21	Statement of Trustees' Responsibilities
22	Independent Auditor's Report
26	Statement of Financial Activities
27	Charity Balance Sheet
28	Cash Flow Statement
29-45	Notes forming part of the financial statements
46	Advisors
47	The Board of Trustees

TRUSTEES REPORT

About Groundwork West Midlands

Groundwork West Midlands (GWWM) is an incorporated charity working to transform lives in the UK's most disadvantaged communities. We are passionate about creating a future where every neighbourhood is thriving, every community is strong and able to shape its own destiny and no-one is held back by their background or circumstances.

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

We are part of a Federation of independent charities in England, Wales and Northern Ireland called Groundwork Trusts, supported by a national office called Groundwork UK.

Our teams are based in offices across the West Midlands delivering services where they are needed the most.

We are passionate about;

- Creating better places & connections to the natural world
- Improving peoples' prospects & raising aspirations
- Promoting healthier & greener choices

We believe that working with local communities to build their resilience is vital in facing up to the challenges of a post-Covid-19 West Midlands. We know that the negative effects of climate change and environmental breakdown impact first and worst on those who have the least power in society, and who contribute least to the cause of the crisis. A 'just transition' to an inclusive, net-zero economy must tackle, rather than entrench, this inequality and provide a springboard for better work and healthier, happier lives in the places that need it most.

This means creating green jobs that build wealth in local communities, changing behavior to reduce wasted food, energy and water, providing biodiverse, accessible green spaces, supporting businesses to be more responsible and empowering communities to lead activities that improve their quality of life and promote health and wellbeing.

TRUSTEES REPORT

Message from the Chair

As we present our 2023/24 annual report, I am delighted to report positively again, on end of year finances. We close the year in £19,150 trading surplus before investments providing a strong platform for 2024/25.

The 2023/24 year has again been one of success and challenges. Increased demands on services due to the cost of living crisis and in particular high energy prices have meant that all services to aid home energy efficiency have been in great demand. Programmes to aid efficient shopping and cooking to make healthy choices go further and to aid health and well-being also continue to be needed for the communities that we work within.

The continued success of Restart and the excellent performance by our teams has led to additional areas being transferred under our delivery and a new bid in 2024 has been successful in expanding the programme, making it the bedrock of our financial and delivery programmes for the past year and into 2024/25. Prudent management and efficient effective delivery has meant that the programme has delivered headroom back to us to generate more opportunities to help those in need.

Alongside this we continue to consider bidding opportunities that we can deliver within budgets and to look at self-financing income generation to continue to draw in more income to use in new operational services that can address need and demand. We have worked hard to develop delivery partnerships and raise the existing profile that GWWM has across the patch that we operate within.

Whilst recruitment remains a challenge – both for non-executive trustees and staff, staff turnover rates have slowed dramatically reflecting the enhanced stability and satisfaction that our teams have under strong management from Andrew our CEO and his SMT whom the Board of Trustees and I extend great thanks to.

Our Teams and volunteers deserve a huge thank you from all of us on the GWWM Board. On behalf of the Board, I would like to celebrate and appreciate the continued commitment, passion, drive and innovation of our people, those who support delivery to those in need, in areas where support is best placed.

I would like to thank the governance provided by our Board of Trustees, whose expertise, time and shepherding is given freely without which the Charity could not exist. We have reviewed all policies and reinforced practices for safeguarding and Equality, Diversity and Inclusion to ensure that operations are undertaken to current best practice as a minimum.

Please take the time to read our annual report for 2023/24 and reach out to us where we can help and collaborate.

Anne-Marie Simpson, Chair

24th October 2024

TRUSTEES REPORT

Governance

Structure

Groundwork West Midlands, the charity and the group, is a charitable company limited by guarantee, registered with the Charity Commission (number 1128858) and Companies House (number 06823225). The organisation is governed by its Memorandum and Articles of Association dated 9 June 2009; Trustees are elected or coopted in accordance with these.

Board of trustees

The Groundwork West Midlands Board comprises Trustees appointed in accordance with the Charities Act 2011, who are also the Directors of the company in accordance with the Companies Act 2006. We take our governance responsibilities very seriously, recognising the need to ensure as much of our resource as possible is expended on delivering our charitable mission while ensuring our organisation is strong, well-managed and financially viable in the long term.

The Trustees are responsible for ensuring sound organisational systems, processes and policies are maintained and embedded in the way Groundwork West Midlands is managed. This includes policies governing our fundraising standards, our investments and our responsibilities to our staff, volunteers and beneficiaries. We pay particular attention to issues of health and safety, data protection and information security and we maintain comprehensive business continuity arrangements.

We take safeguarding very seriously and have a nominated, trained champion on our Board. Our Trustees ensure we have access to the expertise needed to run our organisation efficiently, effectively and safely; new Trustees are provided with an induction to the organisation, with a focus on roles and responsibilities.

The Groundwork West Midlands board's work is supported by our Finance and Audit Committee, a sub-committee which oversees the audit process and reviews our Annual Report and Financial Statements independently of the main board.

Management Team

The SMT is fully representative of all functions of the organisation, with clear reporting lines. The SMT has continued to perform well, resulting in greater efficiencies, and enhanced communication throughout the organisation and excellent delivery of our projects and services.

The Senior Management Team includes staff members responsible for financial and business management, business development and programme management and delivery. The SMT is fully accountable to the Board and the Finance and Audit Committee and operates through delegated powers outlined in our financial regulations.

The team provides regular reports to the board on financial and operational performance and risk management. SMT meets monthly to discuss strategy and operation management of the organisation.

TRUSTEES REPORT

Relationships within Groundwork

Groundwork West Midlands is one Trust within the Groundwork Federation of independent charities. Each Groundwork Trust works under a common brand to a common strategy. This strategy sets the direction, milestones and targets which influence operational decision-making across all parts of Groundwork and against which the senior executives hold each other to account.

Groundwork West Midlands is an active member of the Groundwork Federation, a national organisation with 14 member trusts. Our CEO, Andrew Thompson represents GWWM on the Federation Executive Team, and our Chair, Anne-Marie Simpson, represents GWWM on the Federation Board.

The Trust and Federation work together to ensure that all the member trusts work together, share best practice and drive up quality standards for the betterment of all. Between them, the Federation Executive Team and the Federation Board consider and discuss all aspects of Groundwork activity, ensuring that policies and strategic and business developments reflect the needs that Groundwork seeks to fulfil.

Within this strategic framework Groundwork Trusts make their own decisions about the project work they develop and deliver. The Federation strategy supports this local decision-making by focusing on those areas of development and delivery where there is a need or an opportunity for Groundwork to act collectively in order to achieve maximum benefit for the communities it serves. Individual Trusts benefit from sharing intelligence and the potential to replicate business models that are being delivered in other parts of the Federation.

The national office, Groundwork UK, delivers services and activities to support Groundwork Trusts by building brand and profile, generating income for local delivery and supporting quality and impact. Groundwork UK is held to account for its performance by its members. Each Groundwork Trust signs a membership agreement which sets down the obligations of Trusts to Groundwork UK and to each other and the services and standards Groundwork UK will deliver on behalf of the Federation.

Related party relationships

The charity operates one trading subsidiary, Groundwork West Midlands Enterprise Limited. All of the issued share capital of this company is held by the charity. This company was formed to operate contracts falling outside the scope of Groundwork West Midlands' core areas. For 2023–24 Groundwork West Midlands Enterprise Limited was dormant.

Our commitments

We will be environmentally aware and focused on communities in need. Our decisions, actions and operations will be guided by our sustainable development policy, which sets out how we aim to contribute to creating a strong and just society living within environmental limits. Everything we do is underpinned by our values, which inform the way we work and behave. These are:

- We will invest in the places and people that need us most – prioritising our resources to bring about lasting change by building skills and capacity within the local communities where we can make most difference.

TRUSTEES REPORT

- We will work with local leaders and listen to local voices –ensuring those it is designed to benefit and adds value to the assets that exist in local areas shape our work.
- We will grow a culture of equity and inclusion – operating with transparency and integrity, seeking out a diversity of viewpoints, in the work we do and the people we employ.
- We will be committed to collaboration – forging strong partnerships, contributing to a thriving community sector and helping others lead where this will achieve greater impact.
- We will act as environmental exemplars – championing practical action to combat the climate and nature emergency and measuring and reducing our own environmental impact.

Safeguarding

As a charity dedicated to supporting vulnerable people we make sure our operations are delivered safely and to the highest ethical standards. Groundwork UK have recently undertaken a Federation-wide review of the Trusts' arrangements for safeguarding and whistleblowing. This work ensures Groundwork Trusts can identify and embed best practice in terms of local management, governance oversight and transparent reporting. Groundwork West Midlands continues to exceed the minimum recommended requirements.

Fundraising activities

The charity had no fundraising activities that require disclosure under S162A of the Charities Act 2011.

Objects and Public Benefit

Groundwork West Midlands charitable objects are set down in its Memorandum of Association dated 9 June 2009. They commit us to delivering and promoting regeneration and sustainable development.

The 13 objects cover environmental conservation, social welfare, public education, urban and rural regeneration for public benefit, training and employment opportunities, housing, public amenities, historic buildings, recreational facilities, derelict land reclamation, public health, public safety and other means as may be determined by the Charity Commissioners.

Groundwork West Midlands exists primarily to provide public benefit. Specific benefits delivered in 2023 - 2024 are detailed in the Strategic Report section and provide evidence that the criteria for public benefit have been met. Groundwork West Midlands Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the organisation's objectives and planning future activities.

Our work is designed to address the needs of all sections of the community and we provide equal access to our services regardless of race, gender, disability or sexual orientation. For further details about our work visit www.groundwork.org.uk/hubs/westmidlands/

TRUSTEES REPORT

Strategic Report for the year ended 31 March 2024

Strategic Overview

Groundwork West Midlands is a charity working to transform lives in the UK's most disadvantaged communities.

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

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

Our Impact

We spent time during the year considering our impact and how we can effect change. Our work supports people facing multiple challenges – living in isolation or with significant health issues, in communities with few facilities, and with limited employment prospects.

We have nearly four decades' experience of building partnerships to address these challenges in three ways:

- **We create better places** - Making communities greener, safer and healthier by enabling people to work together to bring about change in their local area.
- **We improve people's prospects** - Increasing the confidence, skills, wellbeing and employability of those struggling in education or out of work.
- **We promote greener choices** - Helping people and businesses reduce their environmental impact, cut waste, save money and live more healthily.

Our impacts can be demonstrated below...



727

Community Organisations
Supported



£732,000

Invested In Communities



13,910

Hours of volunteering
mobilised

TRUSTEES REPORT



7

Formal qualifications gained



150

Young people supported to
learn and achieve



503

People supported into education,
training or work



1,777

People sign posted to additional
support



£450k

Distributed in emergency energy
top-ups



£624k

Domestic utility bill savings



103,870 m2

Of land improved



2,496

Households support by our
Green Doctor home energy
efficiency experts



2,458

Trees Planted

Our work is needed because ...

- the number of people not working due to long-term sickness has been rising since 2019 and now stands at more than 2.5 million
- more than 6.5 million households are experiencing fuel poverty with 21.5% of excess winter deaths attributable to cold homes

TRUSTEES REPORT

- almost 3 million people in the UK used a food bank in the last year and 40% of people report feeling worried about being able to afford food
- 2.8 million people in the UK do not have any publicly accessible green space within a 10-minute walk of their home
- 40% of people from ethnic minority backgrounds live in the most greenspace-deprived areas, compared to 14% of White people
- more than a million adults and nearly three-quarters of a million children in the UK live in neighbourhoods where air pollution is double recommended levels
- more than 40% of adults in the UK report feeling anxious about the environment and globally 60% of children and young people say they are extremely or very worried about climate change.

We focus our work in the areas of greatest need across the whole West Midlands Regional footprint.

Sustainable Development Goals

We prioritise our work and measure our achievements based on the difference we make to the lives of people, our impact on the environment and our contribution to UN Sustainable Development Goals. We have identified six goals, which align most closely with our work:

- Goal 1: No poverty
 - Helping people into work and building the resilience of those who are most vulnerable
- Goal 7: Affordable and clean energy
 - Improving energy efficiency and promoting renewables
- Goal 8: Decent work and economic growth
 - Creating jobs and enterprise and helping young people into work
- Goal 11: Sustainable cities and communities
 - Improving green spaces, promoting sustainable transport and improving air quality
- Goal 12: Responsible consumption and production
 - Reducing waste and promoting positive environmental behaviours amongst communities and businesses
- Goal 13: Climate action
 - Promoting practical action and strengthening the resilience of communities to cope with climate-related events

Our approach

We deliver our impact through a range of projects, programmes and services that respond to local need and opportunity but that are developed and informed by the following core commitments.

TRUSTEES REPORT

- **We work where there is most need and we can have most impact** – prioritising our resources and building partnerships so that we can bring about lasting change.
- **We listen to local voices and empower people** – ensuring our work is shaped by those it is designed to benefit and strengthens community assets and infrastructure.
- **We embed equity and inclusion in everything we do** – addressing injustice and seeking out a diversity of viewpoints, both in the work we do and the people we employ.
- **We learn from local practice to promote wider change** – sharing the lessons from our work so that we can influence policy and contribute to system change.
- **We are collaborative and innovative** – forging strong partnerships and working with others to develop new ways of working and achieve greater impact.
- **We are environmental exemplars** – championing practical action to combat the climate and nature emergencies and measuring and reducing our own environmental impact.

Summary of our Charitable Work

Land Management

During the last year (23/24) we have seen new projects and opportunities become available to support our work improving biodiversity, reducing climate change effects and providing safe, welcoming green spaces for our communities. We were delighted to secure a further 10 year tender for the management of Silverdale country Park and Hassall Green Nature reserve in early 2024.

Biodiversity and Nature Recovery

Our Biodiversity and nature improvements continue with targeted species management. In response to our breeding bird survey results we have been targeting our management in the Void area of Silverdale to support species of conservation concern like wading Lapwings onsite. In the last decade at best we have seen 2 or 3

Lapwing chicks each year and they are often lost to predation. Targeted management has culminated in a bumper year in both 2023 and 2024. Visitors were able to witness at least 5 Lapwing sitting on separate nest sites in 2023 and 10 in 2024. Wonderful to see Conservation working in front of our very eyes.



TRUSTEES REPORT

Trees and Tree planting

Tree safety and boundary vegetation have been a dominant issue over this year across many of the sites following the 5 yearly tree safety inspection report. Winter 2023-24 saw the continued development of these project areas with further thinning and reseedling with a woodland seed mix which will establish over the next 2-3 years.

We have planted many tree's this year on our own sites and in collaboration with local authorities to offer tree planting days, aiding our biodiversity improvements and building relationships with local business's.

Staff at a food product development company in Somercotes swapped sauces and spices for spades to support the project.

Eight staff from Griffith Foods, on Cotes Park Industrial Estate, turned out to plant trees at Brook Park – a 37-hectare site with specially recreated limestone grassland on the site of the former Shirebrook Colliery.

As well as donating £2,500 towards the cost of the trees, the team helped to plant 600 saplings at Brook Park with the support of local charity Groundwork which helps to manage the site on behalf of landowners The Land Trust.



UKSE

Young people from a special school are being helped into employment by gaining practical work experience thanks to support from business lender UKSE.

Students aged between 16 and 18 from Abbey Hill School and College in Stoke on Trent are learning skills which they will be able to take into a working environment through the project run by environmental charity Groundwork West Midlands and funded by UKSE.

The business loans specialist, which works with companies across the West Midlands from its regional base in Cannock, is supporting Groundwork to enable the school group to help maintain an area at a country park to develop skills from practical experiences. Sessions are being run by Groundwork community project officers and park rangers with the aim of providing students with an increased knowledge of the environment and practical skills to manage outdoor spaces which they can use in the workplace.

UKSE regional executive Mike Lowe and area manager Steve Grice visited the group as they worked during one of the sessions, joining in with some of the tasks to see how their support was being used.

Mike Lowe commented: "UKSE's mission is to help businesses to grow and prosper for the benefit of the community throughout the West Midlands and the partnership with Groundwork supports this ethos. We are looking forward to seeing the benefits of the project, not only from an environmental perspective but also to support the career paths of the young people involved."

TRUSTEES REPORT

Darren Greensmith, vocational pathways manager at Abbey Hill School and College, said: “Without funding from partners like UKSE it would not be possible for groups like ours to take up the opportunity to be part of projects like this so it is great to see our young people engaged in tasks and projects where they can make a positive difference.

“Partnering with Groundwork creates a realistic working environment for our students to apply their learning from college, building experience which will grow their confidence and develop their skills for the workplace.”



As part of our progression, this year has seen two further sites put forward to the Green Flag award scheme, Telford Millennium Village and The Old Brickworks Nature reserve.

The scheme recognises and rewards well managed parks and green spaces, setting the benchmark standard for the management of recreational outdoor spaces across the United Kingdom and around the world. We eagerly await our results which should be delivered in early July 2024.

Engagement and Education

Many public and private sessions have taken place to engage and educate local people across all of our sites, including work with schools, colleges and university groups.

Sessions are very well attended, and our Engagement Ranger was presented with a community spirit award at the Annual Ketley Parish Assembly this year, in recognition of their work at the reserves.

The activities offered bring multiple wildlife, health and social benefits and include a host of traditional activities such as willow weaving, hedge laying, dry stone walling, scything and identification of Flora and Fauna.



St Luke's Primary 'Big Bird Count'

TRUSTEES REPORT

Healthy Lifestyles

Cook & Eat Well Projects

We run a number of grant funded and commissioned projects across Coventry, Sandwell and Birmingham. These aim to improve knowledge and skills about healthy eating and cooking with the aim of improving both physical and mental wellbeing.

June was referred to a course by a social prescriber after a period of illness, which had caused her to put on weight and get into bad eating habits. June went from home cooking 1 or 2 nights a week to batch cooking a few days a week but eating home cooked food every night. She made small but significant changes to her lifestyles such as, stopping going to the chip shop and eating 5 A Day. The course gave her the opportunity to try new fruits and vegetables that she realised she enjoyed and incorporated into her cooking. June reported big improvement in her mental well-being from attending the course as she made some new friends who continued to meet up weekly after the course, starting their own 'Cooking club' where they take it in turns to cook for each other, share recipes and support each other.

Green Doctor

Green Doctors are trained Energy Advisors who provide advice on energy advice, energy bills and heating systems. We have a number of grants and commissions across the West Midlands with organisations such as Cadent Gas, British Gas and Energy Redress.

Gary and his family were referred to Green Doctor by the council after falling victim to fraud. The Green Doctor Team were able to speak to his landlord and insist on repairs be made to his property, help him secure a Big Difference water grant to cover his water bills, get his energy debt written off, help him apply for a grant for new carpets and fit energy saving measures throughout his home. The team also went over and above making referrals to other organisations and helping him come up with an income & expenditure plan to keep them on track going forward.

"Green Doctor literally saved my life last winter through the fuel vouchers, emergency heater and energy saving devices they fitted for me."

"We refer all of our clients to Groundworks Green Doctor project. They are fast, reliable and actually go to peoples homes, not just talk to them on the phone. They make such a difference to people's lives, helping them to get back on track and save money on energy going forward." Sharon – Council Income Support Team. Stoke on Trent City Council.

Wider Energy Projects

The Green Doctor team has grown and diversified and now has team members who are qualified Domestic Energy Assessors and retro fit assessors. This has allowed us to grow our 'paid for offer' working with a number of partners such as local authorities and architected firms and landlords.

Groundworks energy assessment of our building, helped us evidence the cost savings (£14k pa) of replacing our old flood lighting with LED lights. Based on this evidence our board agreed to invest in the replacement and

TRUSTEES REPORT

Groundwork helped us gain a grant of £2,500 towards the cost. The cost savings are vital for our charity as we are drowning under our increased energy costs and we are also reducing our Carbon emissions.

Money Mentors

Our money mentor project in Wolverhampton supports local people to manage their money more efficiently, maximise their income and advocate for them with services such as energy providers, landlords and debt organisations.

"Hamza has helped me get my finances organised and sort out better payment plans with everyone I owed money to. I wasn't sleeping or eating as I was so worried with all the letters I was getting that I didn't understand. I feel so much better now and I have more money as he helped me get Pension credit which I didn't realise I could claim."

New to Nature

New to Nature provided life-changing employment opportunities for people who might not normally have access to a career in the environmental sector, with young people who are from an ethnic minority, who are disabled or who are from low-income homes being encouraged to apply for roles in all areas of the nature sector. Hear more from a trainee below:

<https://www.youtube.com/watch?v=egsjSdKYvBk&t=79s>

Employment Support

Restart – Tipton, Dudley, Birmingham & Oldbury

Restart is a DWP funded project and is payment by results.

Supporting all age ranges to break down barriers to employment and move them into work, such as debt, housing, substance dependency – through to the interview prep, motivation and confidence etc. This project comes with many strict customer service standards that all partners must achieve as well as specified employment targets each month.

Groundwork West Midlands continue to achieve and have become a preferred supply chain partner for Serco. As a result, towards the early part of 2024 negotiations took place for Serco to reduce supply chain partners and allocated GWWM extra volumes and locations. We also negotiated the agreed 2 year extension of the project which has been approved by DWP.

One Groundwork staff member was chosen as a champion by Serco for his quality of action plans and CSS standards. They quoted "Jamie, your dedication to creating outstanding action plans and upholding top-tier CSS standards has truly elevated our projects. Your expertise and hard work are invaluable, and we're incredibly grateful for your contributions. Thank you for setting the bar so high!"

Another Groundwork staff member has been praised for effective caseload management and again used as a champion to share best practice. Such best practice includes going the extra mile to support clients, and to ensure that they receive real and demonstrable benefits from our support.

TRUSTEES REPORT

This can be demonstrated with the following case study...

Success story – ‘Client A’

“Client A was referred to Restart in January 2023, from completing his Initial meeting it was clear that Client A had little to no confidence in himself and his abilities, Client A was very quiet to begin with, when attending meetings, he would walk around with his head down, would not speak to or look at anyone in the office and because of this gave off quite an abrasive persona. It also later became apparent that Client A was battling Anxiety and Depression.

As Client A slowly started to complete the short terms goals set his confidence clearly began to improve, it was at this point we decided to support Client A with further interview techniques and gave him training on how to speculatively approach employers, Client A took to this very well and was sent to a Security Company in Dudley, he registered and waited several weeks but was not given any shifts, even after Employer Engagement chased this, Client A was still not given any shifts, this again dampened Client A confidence.

At this point we were coming close to Client A 12 Months on Restart, at the meeting before our Annual Review, Client A was supported in making 11 applications to local security companies, Client A contacted me a few weeks later to say he had been offered the role and wanted support completing the induction paperwork. Client A was given an appointment to come in and we completed all of his paperwork and sent him back to the employer.

At this time Client A had been going back and forth with his mortgage provider who wanted to see proof of Client A starting work so he could evidence that he would be able to make continuous payments to his Mortgage arrears, If Client A was unable to do this he was told he would be evicted from the property on Thursday 25th January 2024 at 12:00pm, Client A advised me of this on Wednesday 24th January 2024, Client A had been trying to do this himself but was struggling with the online portal and obtaining the information needed, this was several months bank statements, income and expenditure, proof of Tax paid over the last 10 years of employment, proof of his pending employment statements from Client A DMP with Stepchange.

As this was clearly time sensitive, I asked Client A to attend the centre straight away, we managed to obtain all of the information required, contacted the employer to gather the details and evidence of his Job Start, I then contacted the mortgage company to ensure all the information sent was correct, I was advised by the mortgage provider that the team who would quality check this would not be in until 9am the following morning. Client A was told to come back to the centre at 9am the following day and we contacted them and waited on the phone as they checked all of the documentation.

At roughly 11:00am the documentation was fully compliant and we were informed the eviction would no longer be taking place.

Needless to say, Client A was over the moon with this, I contacted Client A a few days later and he informed me that he had successfully started his job and was very much enjoying it.

Client A was very grateful for the help and support from Restart is still in the role and has stayed on top of all of his repayments.”

Community and Environment

Tesco Community Grants

Groundwork West Midlands has continued to work with Groundwork UK and Tesco on the Stronger Starts Grant funding programme.

TRUSTEES REPORT

From April 2023 – March 2024, in the West Midlands, Tesco awarded £576,290 worth of grants to 502 not-for-profit organisations

Delivery included:

- Promoting the funding scheme widely across the West Midlands area
- Helping not-for-profit groups to apply for the funding (including schools, charities, community interest companies and sports clubs)
- Supporting Tesco store staff with community engagement in their local areas.

Feedback from groups included:

“The head teacher at Shrubland Street got back to me today and I have now pressed the submit button on the application! Exciting times, thanks so much for giving up your time to help and support the school...”

“...thank you for taking the time to bring us up to date... Your reply demonstrates the depth of support and interest that we get from your company...”

Feedback from Tesco store staff included:

“...thank you so much for today, I genuinely found the meeting very helpful and insightful especially regarding what us as managers can help vote towards what is happening in our communities. It was definitely an eye opener for me...”



Also over the course of the year, £60,000 was awarded to twelve organisations as part of the Golden Grants strand of the programme.

Corporate Volunteering Programmes (HS2 and General Projects)

Groundwork West Midlands continued to work with businesses across the region to deliver corporate volunteer events that positively transform local communities and spaces.

Summary

- From April 2023-March 2024, we delivered 16 general corporate volunteer days. We hosted 237 volunteers from 13 companies at sites across the West Midlands, Staffordshire and Warwickshire.
- From April 2023-March 2024, we delivered 16 HS2 corporate volunteer events, with 260 employees joining us to make a difference. We have secured a new contract with HS2 to continue as their environmental corporate volunteering partner for the next 5 years.

TRUSTEES REPORT

Feedback from volunteers included:

"Amazing day out doing something different - thank you to the organisers"

"Loved all the activities, a great day"

"Very impressed with the whole experience"

"Well organised and a good variety of activities. Useful information on other services feted by groundwork"

"A genuinely wonderful day, thank you!!"

"I felt joyful and blissful, with a greater sense of wellbeing and connection with nature"

"Lovely atmosphere. Very inclusive and enjoyed learning a new activity."

"Absolutely loved my day and enjoyed listening to the staff there who were very knowledgeable on so many different aspects"



In April 2023, corporate volunteers from NHS Property Services helped to revamp the outdoor space at partner site Brasshouse Lane Community Centre, Smethwick.

Feedback from the partner sites included:

"I wanted to say a huge thank you for the hard work and dedication to clearing our outdoor areas to allow us to plan how to purposefully use these space. These are jobs, as a staffing team, we have not gotten round to doing for many many months and are really grateful to have had your support. From here, we will ensure we have a much more productive plan of action to keep these spaces viably open for pupils. Thank you again for the hard work that you do to help others." (Headteacher)

"We are always thrilled when Groundworks come to help us out for a day, are always professional, friendly and organised and the groups you bring are keen to get stuck in and get their hands dirty. As a tiny charity with over 40 acres of natural space to look after, the impact of your group visits cannot be understated." (Castle Bromwich Hall Gardens)

"Thank you so much for yesterday's session. We couldn't be happier with the result. Thank you to the hard work of the corporate volunteers we are a step closer to achieve what we have envisioned for the area. Our regular volunteers were on site today and couldn't believe how much the site has changed!!" (Community Environmental Trust)

"Can you please send my regards to you and your team from HS2. I have come in this morning and the transformation in the gardens is simply amazing. They have worked so hard and all the residents that have spoken to this morning are just delighted. I cannot speak highly enough of both you and the team. Thank you again !!" (Neighbourhood Support Officer at Birmingham City Council)

"I just wanted to say a big thank you to you and the HS2 team for the work carried out at Brookvale park, cutting, pruning trees and hedges and clearing the pathways. It has made a visible difference which I am sure is appreciated by the park users. The team certainly worked hard and has achieved more than I anticipated." (Neighbourhood Action Coordinator at Birmingham City Council).

TRUSTEES REPORT

Go Play Sandwell

From April to September 2023, Go Play delivery funded by Sandwell Council continued across Tipton and Smethwick. From January 2024, delivery has focused on Tipton.

During this time in excess of 1,000 6-12 year olds across both towns have engaged in activities. Partnerships have continued to flourish, including new ones such as, Tipton Muslim Centre who are very keen to bring our provision in at every opportunity, as well as Bearwood Family Hub, who have been able to gain new ways of understanding the importance of play to develop their own outputs.

The programme has also provided much needed support to families. One parent commented that sessions have “really bought her son out of his shell. He’s normally apprehensive about playing with other children, but here (Victoria Park, Smethwick) he just gets stuck in!” One parent also commented that “knowing that her son was going to go to a session and have fun gave her a reason to get over her anxiety to leave the house” (Laybourne Park, Tipton)

We have also had families who have made positive lifestyle choices based on their interactions with Go Play. One family commented that they’d changed their eating habits and had started exercising more because they wanted to get the most out of the sessions, rather than feeling tired straight after arriving.



Finally, families have also commented that they feel Go Play brings a security to some green spaces that have been victims of anti-social behaviour. One child’s parent told us that her son was approached by a young person with a knife, meaning he was scared to come to our sessions at Jubilee Park. “He feels safer coming to the park when he knows Go Play are here, because he knows that the staff are trained to deal with anything that might happen.”

Welcome Hong Kongers

Over the year, the Welcome Hong Kongers project (funded by the Department for Levelling Up, Housing and Communities) has gone from strength to strength, far exceeding targets and aspirations for supporting West Midlands BNOs with their transition to life in the UK.

Summary

Employment support courses held in Birmingham and Solihull, supported 34 people towards building confidence, understanding the UK work environment and systems, searching for jobs, writing a successful CV/cover letter and improving their interview skills.

TRUSTEES REPORT

- GWM staff arranged/administered 5 ESOL courses (Birmingham, Solihull and Nuneaton) and 1 IELTS preparation course (online).
- Social/cultural integration activities to help BNOs to explore the area, meet others and learn about UK life and history – the highest attendance and most successful events included a launch tour of Birmingham Library, tours of Cannon Hill Park and Leamington Spa and a final event/trip to the Black Country Living Museum had 54 adults and 28 under 18s attend.

GWM was successful in securing further funding from the West Midlands Strategic Migration Partnership to continue the project later in the financial year.

Example case studies



歡迎香港人
Welcome Hong Kongers!

English Language case study: Sarah*

Participant profile

- **Course:** Birmingham lower level ESOL
- **Age:** 30s-40s
- **Status:** moved to the UK with partner, parents & young baby
- **Engagement:** social activities, employment support/1:1s, ESOL

Sarah (*not her real name) originally accessed our support by attending an employment course, and later enrolled on our lower level ESOL course in Birmingham. She has also joined 3 social events. When we first got to know her, although a bubbly character, she appeared shy due to her beginner's level of English and relative unfamiliarity with UK culture. As well as giving her a chance to meet other BNOs, explore the area and improve her employability, most of all her level of English and confidence have improved, allowing her to support other Hong Kongers.

"It helps me to revise my CV and improve my English listening. I feel a little more confident [and settled in the UK] than last September and the people are friendly. The [GWM] staff... hold the events to let us visit different place to better understanding the UK culture and make new friends."

(28/3/24)

Funded by:
Department for Levelling Up, Housing & Communities

This project is funded through the DLUHC regional VCSE grant for the Hong Kong BN(O) Welcome Programme. The responsibility/ownership for any products or materials belong to Groundwork WM.



歡迎香港人
Welcome Hong Kongers!

Social events case study: Francis & Claire*

Participant profile

- **Course:** Birmingham/Solihull social events
- **Age:** late 30s-early 50s
- **Status:** couple, moved to the UK in October 2022 with teenage child
- **Engagement:** social activities

Francis & Claire (*not their real names) have attended 5 of our social/cultural integration events. They have been very keen to make a new home for themselves and immerse in UK culture, but have found life very different to that in Hong Kong, foreseeing that settling will be a long journey of discovery. They have greatly appreciated the variety of social activities, particularly the cultural and historical events. These have helped increase their knowledge of the West Midlands and become more familiar with UK customs and culture.

"The social events provided a wonderful platform for all participants to understand and to explore life in the UK. Hong Kong is a very small city and the life & living style are different from that in the UK.... The more we understand the UK history, customs, culture and living style, the more easier we can make friends and mingle with local people. The ultimate goal is to... contribute to society and enjoy life in the UK."

(3/4/24)

Funded by:
Department for Levelling Up, Housing & Communities

This project is funded through the DLUHC regional VCSE grant for the Hong Kong BN(O) Welcome Programme. The responsibility/ownership for any products or materials belong to Groundwork WM.

TRUSTEES REPORT

Financial Performance

The result for 2023/24 shows a consolidated profit before investments gains of £19,150 (2023: gain £347,058) on a consolidated turnover of £3,185,788 (2023: £3,241,445).

The Trustees in 2015 agreed to invest the free reserves to create an income to be used to fund future operating costs of the Trust. Circa £1.15 million was invested and during 2023/24 this resulted in net gain of £123,271 (2023: net loss £77,995) bringing a result of a profit of £142,421 (2023: gain £269,063).

We review all operating areas of the Trust on a regular basis to ensure that we continue to trade on a sustainable basis and consider all opportunities presenting themselves in order that the Trust remains financially stable whilst delivering our strategic aims.

Reserves

In line with our three-year financial strategy our trustees have agreed to set a minimum level of free reserves at 15% of annual turnover or a minimum of £300k.

As at 31 March 2024 Groundwork West Midlands has total unrestricted reserves of £1,592,918 within which are free reserves of £1,584,382 after taking into account fixed assets.

The free reserves will enable Groundwork West Midlands to:

- manage known short term commitments that the Charity is exposed to in the course of its business and to fund the usual retrospective nature of programme funding
- respond to unplanned/unforeseen downturn, covering up to 6 months of overhead and salary costs of the organisation

Any income or donations that are received and deemed to be restricted funds are accounted for separately with our Financial Statements. Any monies held longer than the statutory minimum retention period after the end of the project, that was deemed restricted, will be reclassified and transferred to unrestricted reserves at the end of that period.

This transfer policy is based on the Statutory Record retention principals. Any funds still restricted beyond the statutory minimum retention period will be reclassified as Unrestricted. This is based on our own Records and Archiving Policy; we believe the funding organisations will have destroyed previous records, as have we, so they will no longer hold information to base future audit requests on, which may have resulted in requests for clawback or return of unspent funds.

The Board will keep its reserves policy under review to ensure that an appropriate balance is maintained between developing reserves to provide:

- sufficient funds to meet its forward obligations.
- a reserve against unforeseen events.
- adequate resources to fund new initiatives in order to promote the charitable objects.

Pension arrangements

The Trust currently offers two types of pension arrangement:

1. A group pension plan through Friends Provident or AEGON (as recommended by Groundwork UK) where employees pay a minimum of 4.5% of salary to Groundwork and a minimum 12% of salary is

TRUSTEES REPORT

remitted to Friends Provident or AEGON.

2. A group pension plan through AEGON where employees pay a minimum of 4.5% of salary to Groundwork and a minimum 9% of salary is remitted to AEGON. This AEGON stakeholder scheme is also offered to employees after completion of 3 month's service.

Principal funding sources

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

- **Private sector grants and contracts** - £2.281m (£1.888m in 2022/23)

This includes funds provided by businesses, charitable trusts and foundations. This includes the Serco Restart Scheme funded by Department for Work & Pensions. It also includes sales income from Sustainable Business Services.

- **Public sector grants and contracts** - £873.6k (£1.317m in 2022/23)

This includes funding secured to deliver programmes and services on behalf of government departments, public bodies and lottery distributors. Major funders during 2023/24 included the National Lottery Community Fund, the European Social Fund and The Land Trust.

Expenditure on charitable objectives

In line with the objectives set in our Groundwork 2021 strategy, our expenditure in the year was directed towards the following activities.

- **Community projects** - £1.8m (2022/23: £1.3m)

Creating opportunities and delivering projects to improve people's lives and neighbourhoods

- **Employment projects** - £1.2m (2022/23: £1.4m)

Removing barriers to employment to help people get back into work

- **Running Groundwork West Midlands** – £22k (2022/23: £20k)

Ensuring Groundwork West Midlands is efficient, effective and flexible and generates maximum revenue from its assets and investments to support its charitable objects.

Principal Risks and Uncertainties

Groundwork West Midlands holds a high level risk register that Trustees review quarterly. Risks are categorised as Strategic, Governance, Regulatory, Financial, Operational and a score is attributed to the potential impact of named risks, multiplied by the score attributed to the likelihood of the event occurring. Mitigating actions are identified and a status report provided so that Trustees can take assurance that routine or exceptional issues are identified in good time and how they will be addressed.

A key risk was our inability to see through the three-year financial strategy, some of which was dependent on achieving business growth in a very uncertain financial economic landscape. Significant progress was made, and all of our key critical success factors were achieved ahead of schedule such as capitalising property, reducing overheads, recruitment of the permanent chief executive and investment in development activities.

Powers of investment

The Trustees are authorised by the Memorandum of Association to invest monies not immediately required for the charity's own purposes in such investments, securities or property as they deem fit

TRUSTEES REPORT

subject to any conditions required by law.

This subject is discussed at Board level. The current thinking is that, where possible, monies should be held in easily accessible cash accounts primarily in order to facilitate the rapid set up of beneficial projects. Investments are made in line with our Investment Policy, reviewed annually at a Board Meeting with our Wealth Management Company.

Statement of Trustees Responsibilities

The Trustees (who are also Directors of Groundwork West Midlands for the purposes of company law) are responsible for preparing the Trustees' report (including the Group Strategic report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 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 accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware; and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

This report was approved by the Trustees, on and signed on their behalf by:



A Simpson, Chair

24 October 2024

INDEPENDENT AUDITORS REPORT

Opinion

We have audited the financial statements of Groundwork West Midlands (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, Balance Sheet and Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2024 and of the Group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Group 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 group's or of the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

INDEPENDENT AUDITORS REPORT

appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the Directors' 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 Directors' 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 light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept; 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 3 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 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.

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.

INDEPENDENT AUDITORS REPORT

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the group and the parent charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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 might be fundamental to the group's and the parent charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the group's and the parent charitable company's for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Employment legislation and Taxation legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing 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, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, 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 non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

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

INDEPENDENT AUDITORS REPORT

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.



Helen Blundell
LLB FCA FCIE DChA

For and on behalf of
Crowe U.K. LLP,
Statutory Auditor
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Date: 11 November 2024

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted Funds 2024	Restricted Funds 2024	Total Funds 2024	Total Funds 2023
	Note	£	£	£	£
INCOME FROM:					
Donations and legacies	3	100	-	100	1,015
Charitable activities	4	2,178,498	976,894	3,155,392	3,205,172
Other Trading activities	5	3,093	-	3,093	10,000
Investments	6	25,634	-	25,634	25,057
Other Income		1,570	-	1,570	201
TOTAL INCOME		2,208,895	976,894	3,185,789	3,241,445
EXPENDITURE ON:					
Raising funds	7	95,438	-	95,438	32,676
Charitable activities	8	2,112,907	958,293	3,071,200	2,861,711
TOTAL EXPENDITURE		2,208,345	958,293	3,166,638	2,894,387
NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS		549	18,601	19,150	347,058
Net (losses)/gains on investments		123,271	-	123,271	(77,995)
NET EXPENDITURE BEFORE TRANSFERS		123,820	18,601	142,421	269,063
Transfer between Funds	16	22,937	(22,937)	-	-
NET INCOME / (EXPENDITURE)		146,757	(4,336)	142,421	269,063
RECONCILIATION OF FUNDS:					
Total funds brought forward		1,446,160	84,094	1,530,254	1,261,191
TOTAL FUNDS CARRIED FORWARD		1,592,918	79,758	1,672,676	1,530,254

The notes on pages 29 to 45 form part of these financial statements.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

CHARITY BALANCE SHEET
AS AT 31 MARCH 2024

		2024		2023	
	Note	£	£	£	£
FIXED ASSETS					
Tangible assets	12		8,536		18,326
Investments	13		<u>1,279,013</u>		<u>1,155,743</u>
			1,287,549		1,174,069
CURRENT ASSETS					
Debtors	14	600,053		544,986	
Cash at bank and in hand		337,333		322,059	
		<u>937,386</u>		<u>867,045</u>	
CREDITORS: amounts falling due within one year	15	<u>(552,259)</u>		<u>(510,859)</u>	
NET CURRENT ASSETS / LIABILITIES			<u>385,127</u>		<u>356,186</u>
NET ASSETS			<u>1,672,676</u>		<u>1,530,255</u>
CHARITY FUNDS					
Restricted funds	16		79,758		84,094
Unrestricted funds	16		<u>1,592,918</u>		<u>1,446,160</u>
TOTAL FUNDS			<u>1,672,676</u>		<u>1,530,254</u>

The surplus for the year dealt with in the accounts of the Charity was £142,422 (2023 – £269,063).

The Trustees acknowledge their responsibilities for complying with the requirement of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on 24th October 2024 and signed on their behalf, by:



A Simpson, Chair

The notes on pages 29 to 45 form part of these financial statements

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

CASH FLOW STATEMENT	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash used in operating activities	18	(10,360)	(93,750)
Cash flows from investing activities:			
Dividends, interest and rents from investments		25,634	25,057
Proceeds from the sale of tangible fixed assets		-	-
Purchase of tangible fixed assets		-	-
Proceeds from sale of investments		-	-
Purchase of investments		-	-
Net cash provided by investing activities		25,634	25,057
Change in cash and cash equivalents in the year		15,274	(68,693)
Cash and cash equivalents brought forward		322,059	390,752
Cash and cash equivalents carried forward		337,333	322,059

The notes on pages 29 to 45 form part of these financial statements.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

1. COMPANY INFORMATION

Groundwork West Midlands (the charity) is a Company Limited by Guarantee, registered in England. The registered office is First Floor Owen House, 17 Unity Walk, Tipton, DY4 8QL.

Groundwork West Midlands helps to strengthen communities by delivering health, wellbeing, youth, employment and green projects across the West Midlands.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Groundwork West Midlands 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.

2.2 Going concern

The Trustees consider they have sufficient reserves and cash to continue operating on a going concern basis for the foreseeable future.

As stated in the Trustee's Report, Trustees believe there are no material uncertainties that call into doubt the Charities ability to continue as a going concern and the accounts have therefore been prepared on the basis that the Charity is a going concern. In the short term cash holdings are sufficient to ensure adequate cash flow for the foreseeable future. In the medium to long term plans for, and the structure of, Groundwork West Midlands remain extant and will continue to be reviewed regularly.

2.3 Company status

The Charity is a company limited by guarantee. The members of the company are the Trustees named on page 44. 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.

2.4 Funds

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2.5 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.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

2.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity.

Governance costs are those incurred in connection with management of the charity's assets, organisational administration and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

All costs are allocated between expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of resources. Costs relating to a particular activity are allocated directly. Remaining shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	- 20% straight line
Furniture, fixtures and vehicles	- 20% straight line
Computer equipment	- 25% straight line
Motor vehicles	- 25% straight line

2.8 Investments

Fixed asset investments are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/ (losses) on investments' in the Statement of financial activities.

Subsidiary undertakings:

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 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 at the balance sheet date.

Debtors

Trade and other debtors are recognised at the settlement amount.

Creditors

Short term creditors are measured at the transaction price.

2.10 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

FINANCIAL STATEMENT NOTES

2.11 Significant judgements and estimates

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

Significant judgements

There are no significant judgements having a material effect on the financial statements.

Significant estimates

There are no significant estimates having a material effect on the financial statements.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted Funds 2024 £	Restricted funds 2024 £	Total Funds 2024 £	<i>Total Funds 2023 £</i>
Donations	100	-	100	1,015
	100	-	100	1,015
Total 2023	1,015	-	1,015	

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2024 £	Restricted funds 2024 £	Total Funds 2024 £	<i>Total Funds 2023 £</i>
Community Projects	866,503	970,687	1,857,190	1,459,840
Employment Projects	1,258,034	6,207	1,264,241	1,688,399
Business Projects SBS	33,961	-	33,961	56,933
	2,178,498	976,894	3,155,392	3,205,172
Total 2023	1,875,780	1,329,392	3,205,172	

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

Income from projects provided by:

	Unrestricted Funds 2024 £	Restricted funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Central Government	-	34,742	34,742	18,099
Local Authorities	4,000	514,019	518,019	340,231
Public Agencies	269,719	29,552	299,271	369,023
European Union	-	-	-	27,130
National Lottery	-	21,578	21,578	562,373
Private Sector	1,904,779	377,003	2,281,782	1,888,316
	2,178,498	976,894	3,155,392	3,205,172

LOTTERY FUNDING

	2024 £	2023 £
BIG Lottery		
New to Nature	14,445	1,625
Building Better Opportunities	6,206	497,880
Picnic in the Park	927	-
Every Step of the Way	-	2,562
Cook Together Eat Together	-	30,994
Communities Prepared Sparkhill	-	2,883
Green Recovery Fund	-	23,109
Silverdale Country Fair	-	3,320
Total	21,578	562,373

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

5. OTHER TRADING ACTIVITIES

	Unrestricted Funds 2024 £	Restricted funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Other Income	3,093	-	3,093	10,000
	3,093	-	3,093	10,000
Total 2023	10,000	-	10,000	

6. INVESTMENT INCOME

	Unrestricted Funds 2024 £	Restricted funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Dividend Income	25,634	-	25,634	25,057
	25,634	-	25,634	25,057
Total 2023	25,057	-	25,057	

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

7. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff Costs 2024 £	Depreciation 2024 £	Other Costs 2024 £	Total 2024 £	Total 2023 £
Expenditure on raising funds	76,885	-	18,553	95,438	32,676
Costs of raising funds	76,885	-	18,553	95,438	36,676
Community Projects	784,300		996,265	1,780,565	1,343,149
Employment Projects	863,509		364,277	1,227,786	1,445,096
Business Projects SBS	13,949		26,125	40,074	53,197
Running Groundwork WM	1,968	9,791	11,016	22,775	20,269
Charitable Activities	1,663,726	9,791	1,397,683	3,071,200	2,861,711
	1,740,611	9,791	1,416,236	3,166,638	2,894,387
Total 2023	1,866,957	11,590	1,015,840	2,894,387	

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2024 £	Support Costs 2024 £	Total 2024 £	Total 2023 £
Community Projects	1,565,953	214,612	1,780,565	1,343,149
Employment Projects	951,384	276,402	1,227,786	1,445,096
Business Projects SBS	37,645	2,429	40,074	53,197
Running Groundwork WM	-	22,775	22,775	20,269
	2,554,982	516,218	3,071,200	2,861,711
Total 2023	2,381,445	480,266	2,861,711	

Summary by Fund Type:

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total 2023 £
Community Projects	822,338	958,227	1,780,565	1,343,149
Employment Projects	1,227,720	66	1,227,786	1,445,096
Business Projects SBS	40,074	-	40,074	53,197
Running Groundwork WM	22,775	-	22,775	20,269
	2,112,907	958,293	3,071,200	2,861,711
Total 2023	1,559,540	1,302,171	2,861,711	

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

9. SUPPORT COSTS

	2024	<i>2023</i>
	£	<i>£</i>
General Office	100,061	<i>73,396</i>
IT, Office equipment and maintenance	275,022	<i>258,868</i>
Human Resources	22,402	<i>13,273</i>
Finance and Legal	55,924	<i>79,117</i>
Governance	51,792	<i>48,463</i>
Investment Management Fees	11,016	<i>7,149</i>
	516,218	<i>480,266</i>

10. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2024	<i>2023</i>
	£	<i>£</i>
Depreciation of tangible fixed assets:	9,791	<i>11,590</i>
Auditors Remuneration	13,340	<i>14,525</i>
Operating Leases	120,831	<i>160,916</i>

During the year, no Trustees received any remuneration or other Benefits (2023 - £NIL).

During the year, Trustees received reimbursement of expenses totalling £NIL (2023 - £NIL) for travel and accommodation.

In accordance with normal commercial practice the charity have purchased Trustee indemnity insurance. The insurance provider covers up to £5 million on any one claim and the cost of the policy for the year is £18,581.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

11. STAFF COSTS

Staff costs were as follows:

	2024	<i>2023</i>
	£	<i>£</i>
Wages and Salaries	1,537,732	<i>1,654,062</i>
Social Security costs	134,522	<i>141,215</i>
Pension Costs	68,357	<i>71,680</i>
	1,740,611	<i>1,866,957</i>

The average number of persons employed by the Charity during the year was as follows:

	2024	<i>2023</i>
	No	<i>No.</i>
Direct Charitable	54	<i>60</i>
Fundraising and Publicity	2	<i>2</i>
Administration	2	<i>2</i>
	58	<i>64</i>

The number of higher paid employees was:

	2024	<i>2023</i>
	No	<i>No.</i>
In the band £80,001-£90,000	1	<i>1</i>
	1	<i>1</i>

Total contributions under defined contribution schemes on behalf of this higher paid employee were £6,375 (2023: £5,250).

At the year-end retirement benefits were accruing to 1 (2023: 1) higher paid employee under defined contribution schemes.

Key management personnel received total remuneration of £300,896 (2023: £251,560).

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

12. TANGIBLE FIXED ASSETS

		Furniture, Fixtures, Equipment & vehicles £	Total £
Cost			
At 1 April 2023		151,448	151,448
Additions		-	-
Disposals		-	-
At 31 March 2024		151,448	151,448
Depreciation			
At 1 April 2023		133,121	133,121
Charge for the year		9,791	9,791
On disposals		-	-
At 31 March 2024		142,912	142,912
Net book value			
At 31 March 2024		8,536	8,536
At 31 March 2023	-	18,326	18,326

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

13. FIXED ASSET INVESTMENTS

Charity	Listed Securities
	£
Market Value	
At 1 April 2023	1,155,742
Additions	-
Disposals	-
Revaluations	123,271
At 31 March 2024	<u>1,279,013</u>
At 31 March 2023	<u>1,155,742</u>

Investments at market value comprise:

	UK	Overseas	Total	Total
	£	£	2024	2023
			£	£
Listed Investments	229,825	1,049,188	1,279,013	1,155,742

Material Investments

The following investments represent more than 5% of the portfolio:

	2024	2023
	£	£
UBS ETF SICAV BLB BARCLAYS MSCI UK	67,552	67,462
UBS ETF SICAV MSCI Pacific SOC RES	67,118	63,248
UBS ETF PLC MSCI UK SOC RES UCITS ETF	142,048	138,055
UBS ETF SICAV MSCI USA Socially Resp UCIT	462,884	366,053
UBS ETF SICAV MSCI EMU SOC RESP CL A GBP	174,971	166,840
ISHARES II PLC Core UK Gilts UCITS	37,668	38,662
ISHARES II PLC GBP Index-Inkd Gilts UCITS	50,108	53,431
BLACKROCK FXD INC ISHARES GREEN BD IDX	88,582	83,865
UBS ETF SICAV MSCI EMRGNG MRKTS SOC RES	57,861	58,021
GS 5Y HNX CALL SPX UKX	130,221	120,105
	<u>1,279,013</u>	<u>1,155,742</u>

	Listed Securities	Undertakings	Total
	£	£	£
At 1 April 2023	1,155,742	1	1,155,743
Additions	-	-	-
Disposals	-	-	-
Revaluations	123,271	-	123,271
At 31 March 2024	<u>1,279,013</u>	<u>1</u>	<u>1,279,014</u>

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

Investments at cost comprise:

	UK	Overseas	Total 2024	Total 2023
	£	£	£	£
Listed Investments	229,825	1,049,188	1,279,013	1,155,742
Subsidiary Undertaking	1		1	1
Total	<u>229,826</u>	<u>1,049,188</u>	<u>1,279,014</u>	<u>1,155,743</u>

14. DEBTORS

	2024	2023
	£	£
Trade debtors	350,531	318,924
Other debtors	916	-
Prepayments and accrued income	248,606	226,062
Total	<u>600,053</u>	<u>544,986</u>

15. CREDITORS: Amounts falling due within one year

	2024	2023
	£	£
Trade creditors	148,722	69,965
Other taxation and social security	60,003	90,817
Clawback creditors	-	33,731
Amounts owed to Subsidiary Undertaking	1	1
Accruals and deferred income	343,533	316,704
Total	<u>552,259</u>	<u>510,858</u>

Deferred income

Movements in deferred income during the year were as follows:

	Balance at 1 April 2023	Amount released to incoming resources	Amount deferred in the year	Balance at 31 March 2024
	£	£	£	£
Community Projects	123,187	(123,187)	271,007	271,007
Employment Projects	137,664	(137,664)	15,348	15,348
Business Projects	-	-	6,125	6,125
Total	<u>260,851</u>	<u>(260,851)</u>	<u>292,480</u>	<u>292,480</u>

Deferred Income comprises commission income received in advance.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

16. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Balance at 31 March 2024 £
Unrestricted funds						
General Funds	1,446,160	2,208,895	(2,208,345)	22,937	123,271	1,592,918
Restricted Funds						
Community	84,094	970,687	(958,227)	(16,796)	-	79,758
Employment	-	6,207	(66)	(6,141)	-	-
	84,094	976,894	(958,293)	(22,937)	-	79,758
Total of Funds	1,530,254	3,185,789	(3,166,638)	-	123,271	1,672,676

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Balance at 31 March 2024 £
General Funds	1,446,160	2,208,895	(2,208,345)	22,937	123,271	1,592,918
Restricted Funds	84,094	976,894	(958,293)	(22,937)	-	79,758
Total of Funds	1,530,254	3,185,789	(3,166,638)	-	123,271	1,672,676

The unrestricted funds of the charity are those that are not designated for a particular purpose.

The restricted funds of the charity are those that are received for a particular purpose and these encompass the following activities:

Community and general - building stronger neighbourhoods through the provision of community consultations and training and support for community and resident groups.

Employment – working with unemployed individuals, supporting them into employment, education or training.

The transfers during the year represent amounts to either top up restricted projects using unrestricted funds available, and/or transfer any remaining completed project surplus to unrestricted funds in line with the agreement.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Balance at 31 March 2023 £
Unrestricted funds						
General Funds	1,190,068	1,912,053	(1,592,216)	14,250	(77,995)	1,446,160
Restricted Funds						
Community	71,123	831,328	(797,741)	(20,616)	-	84,094
BBO Employment	-	498,064	(504,430)	6,366	-	-
	71,123	1,329,392	(1,302,171)	(14,250)	-	84,094
Total of Funds	1,261,191	3,241,445	(2,894,387)	-	(77,995)	1,530,254

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Balance at 31 March 2023 £
General Funds	1,190,068	1,912,053	(1,592,216)	14,250	(77,995)	1,446,160
Restricted Funds	71,123	1,329,392	(1,302,171)	(14,250)	-	84,094
Total of Funds	1,261,191	3,241,445	(2,894,387)	-	(77,995)	1,530,254

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted Funds 2024 £	Restricted funds 2024 £	Total Funds 2024 £
Tangible fixed assets	8,536	-	8,536
Fixed Asset investments	1,279,013	-	1,279,013
Current assets	857,628	79,758	937,386
Creditors due within one year	(552,259)	-	(552,259)
	1,592,918	79,758	1,672,676

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted Funds 2023 £	Restricted funds 2023 £	Total Funds 2023 £
Tangible fixed assets	18,327	-	18,327
Fixed Asset investments	1,155,742	-	1,155,742
Current assets	768,694	98,344	867,038
Creditors due within one year	(510,859)	-	(510,859)
	1,431,904	98,344	1,530,248

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

	2024 £	2023 £
Net expenditure for the year (as per Statement of Financial Activities)	142,421	269,057
Adjustment for:		
Depreciation and amortization charges	9,791	11,590
(Gains)/losses on investments	(123,271)	77,995
Dividends, interest and rents from investments	(25,634)	(25,057)
(Increase)/decrease in debtors	(55,067)	(37,786)
Increase/(decrease) in creditors	41,400	(389,549)
	(10,360)	(93,750)

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024 £	2023 £
Cash in hand	337,333	322,059
Total	337,333	322,059

20. ANALYSIS OF NET DEBT

	At 1 April 2023 £	Cash Flows £	At 31 March 2024 £
Cash at bank and in hand	322,059	15,274	337,333
Debt due within 1 year	-	-	-
	322,059	15,274	337,333

21. PENSION COMMITMENTS

The Trust currently offers two types of pension arrangement:

1. A group pension plan through Friends Provident or AEGON (as recommended by Groundwork UK) where employees pay a minimum of 4.5% of salary to Groundwork and a minimum 12% of salary is remitted to Friends Provident or AEGON.
2. A group pension plan through AEGON where employees pay a minimum of 4.5% of salary to Groundwork and a minimum 9% of salary is remitted to AEGON. This AEGON stakeholder scheme is offered to employees after completion of 3 months' service

Contributions totalling £11,348 (2023: £11,360) were payable at the year end and are included in creditors.

22. OPERATING LEASE COMMITMENTS

At 31 March 2023 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

Charity	2024 £	2023 £
Amounts payable:		
Not later than 1 year	17,927	30,475
Later than 1 year and not later than 5 years	87,757	77,152
Total	105,684	107,627

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

23. FINANCIAL INSTRUMENTS

	2024	<i>2023</i>
	£	<i>£</i>
Financial assets		
Investment in Listed Securities	1,279,013	1,155,742
Trade Debtors	350,531	318,917
Accrued Income	197,730	171,954
Financial Assets measured at amortised cost	548,261	490,871
Financial liabilities		
Trade Creditors	148,722	69,965
Accruals	50,876	55,492
Financial Liabilities measured at amortised cost	199,598	125,457

Financial assets measured at fair value through income and expenditure comprises investments in listed securities.

Financial assets measured at amortised cost comprise trade debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors and accruals.

ADVISORS

Auditors

Crowe U.K. LLP
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Bankers

The Co-operative Bank
PO Box 250
Skelmersdale
WN8 8WT

Investment Managers

UBS AG Wealth Management
10 Colmore Row
Birmingham
B3 2QD

Oculus Wealth Management
Game Keepers Cottage
Woodhouse Lane
Nanpantan
Loughborough
Leicestershire
LE11 3YG

Solicitors

Clowes & Co
112 Baddeley Green Lane
Baddeley Green
Stoke-on-Trent
Staffordshire ST2 7HA

Veale Wasbrough Vizards
3 Brindley Place
Birmingham
B1 2JB

The Board of Trustees

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

Appointed trustees

A Simpson, Chair

J Patel Resigned 30/11/2023

I Priest

R Tappia

B Bickerton

G Hooper Resigned 30/11/2023

P Farrell

L Campbell Appointed 27/04/2023

Company Secretary

Deborah Williams

Committees of the Board

Finance and Audit Committee Chair – Ian Priest

Chief Executive

Andrew Thompson



Contact us

Groundwork West Midlands
First Floor Owen House,
17 Unity Walk, Tipton, DY4 8QL

www.groundwork.org.uk/hubs/westmidlands

Tel: 0121 530 5500

E-mail: westmids@groundwork.org.uk

Twitter: @GWWM

Facebook: /groundworkwestmids

Instagram: @GroundworkWestMids

LinkedIn: Groundwork West Midlands

Charity Registration Number: 1128858

Company Registration Number: 06823225

Accounts



Groundwork West Midlands

Annual Report and Financial Statements 2022/23

Charity registration number
1128858

Company registration number
06823225

Registered office:
First Floor Owen House
17 Unity Walk
Tipton
DY4 8QL

Contents

Page

1	About Groundwork West Midlands
2-16	Trustees Report
2	Message from the Chair
3	Governance
5	Objects and Public Benefit
6	Strategic Report
13	The Future
14	Financial Performance
15	Principal Risks and Uncertainties
16	Statement of Trustees' Responsibilities
17	Independent Auditor's Report
21	Statement of Financial Activities
22	Consolidated Balance Sheet
23	Charity Balance Sheet
24	Cash Flow Statement
25-41	Notes forming part of the financial statements
42	Advisors
43	The Board of Trustees

TRUSTEES REPORT

About Groundwork West Midlands

Groundwork West Midlands (GWWM) is an incorporated charity working to transform lives in the UK's most disadvantaged communities. We are passionate about creating a future where every neighbourhood is thriving, every community is strong and able to shape its own destiny and no-one is held back by their background or circumstances.

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

We are part of a Federation of independent charities in England, Wales and Northern Ireland called Groundwork Trusts, supported by a national office called Groundwork UK.

Our teams are based in offices across the West Midlands delivering services where they are needed the most.

We are passionate about;

- Creating better places & connections to the natural world
- Improving peoples' prospects & raising aspirations
- Promoting healthier & greener choices

We believe that working with local communities to build their resilience is vital in facing up to the challenges of a post-Covid-19 West Midlands. We know that the negative effects of climate change and environmental breakdown impact first and worst on those who have the least power in society, and who contribute least to the cause of the crisis. A 'just transition' to an inclusive, net-zero economy must tackle, rather than entrench, this inequality and provide a springboard for better work and healthier, happier lives in the places that need it most.

This means creating green jobs that build wealth in local communities, changing behavior to reduce wasted food, energy and water, providing biodiverse, accessible green spaces, supporting businesses to be more responsible and empowering communities to lead activities that improve their quality of life and promote health and wellbeing.

TRUSTEES REPORT

Message from the Chair

As we present our 2022/23 annual report, I am delighted to report positively again, on end of year finances. We close the year in £347,000 trading surplus before investments providing a strong platform for 2023/24.

Whilst some legacy programmes have now ended, having successfully delivered their objectives, we have looked carefully at their origins, the skills and expertise we have garnered in their delivery, and re-deployed and reshaped resources accordingly to fit the current and foreseeable future picture of need. Climate change continues to be central to our mission, whether that be delivery of support to help drive energy savings and carbon reduction for our clients, or looking closely at internal practices to ensure we work towards our own net zero position. We continue to look at opportunities to support self-financing which allows expansion of our charity work, supporting those in greatest need and helping communities to grow and flourish. The current challenges in rising costs and energy prices make initiatives like Green Doctor critical to help those in fuel and food poverty and indeed are ideal programme candidates for expansion and enhanced delivery to business and communities. I am extremely proud of the delivery track record of our employment teams under the Re-Start Programme which have continued to deliver some of the best new employment outcomes in our supply chain, for those accessing the initiative via local Job Centres.

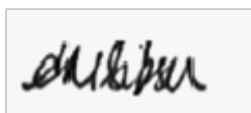
Our prudent consideration of our reserves policy is beginning to reveal opportunities for investment in developing services around landscape management and energy efficiency and help us to take part in bidding opportunities for new work sometimes in partnership with external organisations, again facilitating greater reach and increased impact.

Our Teams and volunteers deserve a huge thank you from all of us on the GWWM Board. On behalf of the Board, I would like to celebrate and appreciate the continued commitment, passion, drive and innovation of our people, those who support delivery to those in need, in areas where support is best placed.

We welcomed Lyndon Campbell to our Board in 2023 and will greatly benefit from his expertise in equality, diversity and inclusion in the future.

We continue to work on driving administrative savings whilst enhancing efficiency, particularly the 2022/23 in the areas of IT and communications both of which will carry forwards into 2023/24, with communications in particular featuring next year as we strive to share stories and experiences of our work to show clearly how and where we can help.

Please take the time to read our annual report for 2022/23 and reach out to us where we can help and collaborate.



Anne-Marie Simpson, Chair

30th November 2023

TRUSTEES REPORT

Governance

Structure

Groundwork West Midlands, the charity and the group, is a charitable company limited by guarantee, registered with the Charity Commission (number 1128858) and Companies House (number 06823225). The organisation is governed by its Memorandum and Articles of Association dated 9 June 2009; Trustees are elected or coopted in accordance with these.

Board of trustees

The Groundwork West Midlands Board comprises Trustees appointed in accordance with the Charities Act 2011, who are also the Directors of the company in accordance with the Companies Act 2006. We take our governance responsibilities very seriously, recognising the need to ensure as much of our resource as possible is expended on delivering our charitable mission while ensuring our organisation is strong, well-managed and financially viable in the long term.

The Trustees are responsible for ensuring sound organisational systems, processes and policies are maintained and embedded in the way Groundwork West Midlands is managed. This includes policies governing our fundraising standards, our investments and our responsibilities to our staff, volunteers and beneficiaries. We pay particular attention to issues of health and safety, data protection and information security and we maintain comprehensive business continuity arrangements.

We take safeguarding very seriously and have a nominated, trained champion on our Board. Our Trustees ensure we have access to the expertise needed to run our organisation efficiently, effectively and safely; new Trustees are provided with an induction to the organisation, with a focus on roles and responsibilities.

The Groundwork West Midlands board's work is supported by our Finance and Audit Committee, a sub-committee which oversees the audit process and reviews our Annual Report and Financial Statements independently of the main board.

Management Team

The SMT is fully representative of all functions of the organisation, with clear reporting lines. The SMT has continued to perform well, resulting in greater efficiencies, and enhanced communication throughout the organisation and excellent delivery of our projects and services.

The Senior Management Team includes staff members responsible for financial and business management, business development and programme management and delivery. The SMT is fully accountable to the Board and the Finance and Audit Committee and operates through delegated powers outlined in our financial regulations.

The team provides regular reports to the board on financial and operational performance and risk management. SMT meets monthly to discuss strategy and operation management of the organisation.

TRUSTEES REPORT

Relationships within Groundwork

Groundwork West Midlands is one Trust within the Groundwork Federation of independent charities. Each Groundwork Trust works under a common brand to a common strategy. This strategy sets the direction, milestones and targets which influence operational decision-making across all parts of Groundwork and against which the senior executives hold each other to account.

Groundwork West Midlands is an active member of the Groundwork Federation, a national organisation with 14 member trusts. Our CEO, Andrew Thompson represents GWWM on the Federation Executive Team, and our Chair, Anne-Marie Simpson, represents GWWM on the Federation Board.

The Trust and Federation work together to ensure that all the member trusts work together, share best practice and drive up quality standards for the betterment of all. Between them, the Federation Executive Team and the Federation Board consider and discuss all aspects of Groundwork activity, ensuring that policies and strategic and business developments reflect the needs that Groundwork seeks to fulfil.

Within this strategic framework Groundwork Trusts make their own decisions about the project work they develop and deliver. The Federation strategy supports this local decision-making by focusing on those areas of development and delivery where there is a need or an opportunity for Groundwork to act collectively in order to achieve maximum benefit for the communities it serves. Individual Trusts benefit from sharing intelligence and the potential to replicate business models that are being delivered in other parts of the Federation.

The national office, Groundwork UK, delivers services and activities to support Groundwork Trusts by building brand and profile, generating income for local delivery and supporting quality and impact. Groundwork UK is held to account for its performance by its members. Each Groundwork Trust signs a membership agreement which sets down the obligations of Trusts to Groundwork UK and to each other and the services and standards Groundwork UK will deliver on behalf of the Federation.

The value and benefit of being a member of the Federation was underlined during the ongoing Covid-19 crisis, as the Federation has come together to share best practice and agree common crisis response, areas for joint development and future positioning. The crisis response has also encouraged neighbouring trusts to develop closer working relationships and explore collaborative opportunities.

During the year, GWWM has been working with other trusts across the central region, to develop a 'Midlands Hub' of trusts across Central England. We have agreed common areas for greater collaboration and partnership working including:

- Green Doctor Development
- Marketing and Communications shared strategy
- IT development strategy

Related party relationships

The charity operates one trading subsidiary, Groundwork West Midlands Enterprise Limited. All of the issued share capital of this company is held by the charity. This company was formed to operate contracts falling

TRUSTEES REPORT

outside the scope of Groundwork West Midlands' core areas. For 2022–23 Groundwork West Midlands Enterprise Limited was dormant.

Our commitments

We will be environmentally aware and focused on communities in need. Our decisions, actions and operations will be guided by our sustainable development policy, which sets out how we aim to contribute to creating a strong and just society living within environmental limits. Everything we do is underpinned by our values, which inform the way we work and behave. These are:

- We will invest in the places and people that need us most – prioritising our resources to bring about lasting change by building skills and capacity within the local communities where we can make most difference.
- We will work with local leaders and listen to local voices –ensuring those it is designed to benefit and adds value to the assets that exist in local areas shape our work.
- We will grow a culture of equity and inclusion – operating with transparency and integrity, seeking out a diversity of viewpoints, in the work we do and the people we employ.
- We will be committed to collaboration – forging strong partnerships, contributing to a thriving community sector and helping others lead where this will achieve greater impact.
- We will act as environmental exemplars – championing practical action to combat the climate and nature emergency and measuring and reducing our own environmental impact.

Safeguarding

As a charity dedicated to supporting vulnerable people we make sure our operations are delivered safely and to the highest ethical standards. Groundwork UK have recently undertaken a Federation-wide review of the Trusts' arrangements for safeguarding and whistleblowing. This work ensures Groundwork Trusts can identify and embed best practice in terms of local management, governance oversight and transparent reporting. Groundwork West Midlands continues to exceed the minimum recommended requirements.

Fundraising activities

The charity had no fundraising activities that require disclosure under S162A of the Charities Act 2011.

Objects and Public Benefit

Groundwork West Midlands charitable objects are set down in its Memorandum of Association dated 9 June 2009. They commit us to delivering and promoting regeneration and sustainable development.

The 13 objects cover environmental conservation, social welfare, public education, urban and rural regeneration for public benefit, training and employment opportunities, housing, public amenities,

TRUSTEES REPORT

historic buildings, recreational facilities, derelict land reclamation, public health, public safety and other means as may be determined by the Charity Commissioners.

Groundwork West Midlands exists primarily to provide public benefit. Specific benefits delivered in 2022 - 2023 are detailed in the Strategic Report section and provide evidence that the criteria for public benefit have been met. Groundwork West Midlands Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the organisation's objectives and planning future activities.

Our work is designed to address the needs of all sections of the community and we provide equal access to our services regardless of race, gender, disability or sexual orientation. For further details about our work visit www.groundwork.org.uk/hubs/westmidlands/

Strategic Report for the year ended 31 March 2023

Strategic Overview

Groundwork West Midlands is a charity working to transform lives in the UK's most disadvantaged communities.

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

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

Our Impact

We spent time during the year considering our impact and how we can effect change. Our work supports people facing multiple challenges – living in isolation or with significant health issues, in communities with few facilities, and with limited employment prospects.

We have nearly four decades' experience of building partnerships to address these challenges in three ways:

- **We create better places** - Making communities greener, safer and healthier by enabling people to work together to bring about change in their local area.
- **We improve people's prospects** - Increasing the confidence, skills, wellbeing and employability of those struggling in education or out of work.
- **We promote greener choices** - Helping people and businesses reduce their environmental impact, cut waste, save money and live more healthily.

TRUSTEES REPORT

We will focus our work in the areas of greatest need across the whole West Midlands Regional footprint.

Our Social Objectives

Following a review of our social objectives, we refreshed and developed a new set of objectives that better describe the changes we seek to make.

We are passionate about:

- Creating better places and connections to the natural world
- Improving people's prospects and raising aspirations
- Promoting healthier and greener choices

We believe that working with local communities to build their resilience is vital in facing up to the challenges of a post-Covid-19 West Midlands. We know that the negative effects of climate change and environmental breakdown impact first and worst on those who have the least power in society, and who contribute least to the cause of the crisis. A 'just transition' to an inclusive, net-zero economy must tackle, rather than entrench, this inequality and provide a springboard for better work and healthier, happier lives in the places that need it most.

This means creating green jobs that build wealth in local communities, changing behaviours to reduce wasted food, energy and water, providing biodiverse, accessible green spaces, supporting businesses to be more responsible and empowering communities to lead activities that improve their quality of life and promote health and wellbeing.

Sustainable Development Goals

We prioritise our work and measure our achievements based on the difference we make to the lives of people, our impact on the environment and our contribution to UN Sustainable Development Goals. We have identified six goals, which align most closely with our work:

- Goal 1: No poverty
 - Helping people into work and building the resilience of those who are most vulnerable
- Goal 7: Affordable and clean energy
 - Improving energy efficiency and promoting renewables
- Goal 8: Decent work and economic growth
 - Creating jobs and enterprise and helping young people into work
- Goal 11: Sustainable cities and communities
 - Improving green spaces, promoting sustainable transport and improving air quality
- Goal 12: Responsible consumption and production

TRUSTEES REPORT

- Reducing waste and promoting positive environmental behaviours amongst communities and businesses
- Goal 13: Climate action
 - Promoting practical action and strengthening the resilience of communities to cope with climate-related events

Context & Impact of Covid – ‘22/23’.

This has once again been a very challenging year, and the return to normality following the pandemic has not yet occurred, although the situation is improving. The funding environment has not returned to pre-pandemic normality and working patterns have continued to evolve and reflect the changing needs of our workforce and new ways of delivering.

The impacts and legacy of the pandemic are now starting to become evident, and appear on the policy horizon, namely a mental health crisis, obesity crisis and the ongoing costs of living crisis created by the pandemic is creating even greater health inequalities than before. We are committed to tackling these issues and responding to the emerging needs of the West Midlands population post-pandemic.

Strategic Positioning

Groundwork West Midlands has worked hard during the year to position itself effectively alongside the wider Federation, to be strategically positioned to meet the challenges and needs of a post-Covid West Midlands, and form an integral part of the ‘building back better’ response to the pandemic.

This has resulted in a strategic focus for the future on:

- **Employment & training** - Responding to increased levels of unemployment, especially in young people and the over 55's
- **Environment and climate change** - Responding to delays to the climate change agenda and achievement of climate change targets
- **Health & wellbeing** - Responding to increased health inequalities, mental health pandemic and obesity crisis

Summary of our Charitable Work

The following is a sample of the work undertaken to satisfy these objectives during a very challenging year:

Employment

Restart – Tipton, Dudley, Birmingham & Oldbury

Restart is a DWP funded project and is payment by results. Initially this project was set up to support the “Covid cohort” – anyone who was a victim of employment issues during the lockdown periods. This has since been adapted and is now catering for many claimants that access benefits and Job Centres.

Supporting all age ranges to break down barriers to employment and move them into work, such as debt, housing, substance dependency – through to the interview prep, motivation and confidence etc. This project

TRUSTEES REPORT

comes with many strict customer service standards that all partners must achieve as well as specified employment targets each month.

We mobilised this project and recruited over 20 staff members and implemented 4 new delivery centres. Since the outset of the project Groundwork West Midlands have remained in the top 5 league tables in performance across the whole supply chain. Because of this, we have been awarded further referral allocation and budget in the Dudley area, and secured a new allocation in Oldbury.

Building Better Opportunities

We successfully completed delivery of 5 strands of this funding across Coventry & Warwickshire, Stoke on Trent, Burton and Sandwell. This included delivery to supporting NEET'S (Not in education, employment or Training), participants 16+ and supporting people that are in a family environment, single parents or caring responsibilities to move them into employment or education, or competent job search, and working with individuals furthest away from the labour market. Funding ceased at the end of 2022/2023.

Sustainable Business Services

Groundwork West Midlands Sustainable Business Services continues to support businesses (mainly SMEs) across the West Midlands with environmental and sustainability services. Demand is still highest for legal services, such as compliance audits and legal register development. Most industries are under growing pressure to operate in a more environmentally friendly way – interest in energy use and carbon footprints has increased and we're working within West Midlands SBS and as part of the greater Federation SBS group to develop services to make these projects more accessible to SMEs.

Healthy Lifestyles

2022/23 was a challenging year for the Healthy lifestyles team as a number of long term funded projects came to an end. These included our flagship Cook and Eat project in Coventry and our BBO funded projects Breakthrough and Progress (Neets). This affected a large number of staff, but we supported everyone to either secure alternative employment or where possible, redeploy internally.

Frustratingly, although projects were finishing, the cost of living crisis and increase in energy bills led to an increase in demand for our services, highlighting that the need was greater than ever within communities. Key needs include:

- Financial support and confidence in managing money
- Physical and mental well-being support
- Low cost cooking skills and knowledge
- Social isolation
- Increased number of young people not accessing education

A significant amount of development work was undertaken in late 2022 to try and ensure we had projects to meet these needs and we have successfully secured 3 new projects to date to be delivered in 23/24. These include:

- Money and Me – Financial confidence project
- Food in Mind – Cook and Eat targeted at people experiencing identified mental health problems

TRUSTEES REPORT

- Cook Together Eat Together – Cooking clubs for over 55s who are experiencing social isolation

Green Doctor

Green Doctor has continued to grow in 2022/23 and the winter saw unprecedented demand on our services due to the increase in energy costs. The team have been fantastic and made a significant difference to so many people's lives.

Growth areas this year have included:

- A new contract with Cadent Gas to fit new boilers, cookers and fires to customers who have been cut off due to faulty appliances. This has involved Groundwork establishing a team of contractors across the region who can undertake the physical works on our behalf to stringent Cadent gas standards.
- Merging of the Green Doctor and Sustainable Business services teams, leading to a new Green Doctor for Business Service, in addition to our traditional SBS offer to businesses.
- Expansion of our delivery across the West Midlands so we can reach more households including more rural areas.
- Delivery of a project in partnership with Stoke City Council, to work with private landlords to improve the energy efficiency of their properties.
- Expansion of our EPC and retro-fit assessment paid for service.

Green Doctor has become well established across the West Midlands, as a high-quality service with a unique selling point of personal home visits.

Land Management

During the last year we have seen a new Country Park added to our portfolio of sites that we manage on behalf of the Land Trust. Working in partnership with Groundwork 5 Counties, we will undertake the site management of Brook Park and they will assist with the delivery of local engagement activities. This has allowed us to employ another full-time member of the land team to manage Brook Park and provide us with much needed additional capacity to provide support to other sites during busy periods.

Key developments and recognitions include:

- Green Flag Award – Silverdale Country Park
- Britain in Bloom Gold Award – Silverdale Country Park
- Telford Community Award – Telford Millennium Trust Nature Reserve
- Silverdale has become a recognised hub for traditional crafts, with regular training courses and volunteering sessions in dry stone walling, scything and hedge laying
- Area of significant biological importance – Telford Heath land area

Breakthrough

Breakthrough is a BBO funded project that supports people with financial advice, managing debt and general budgeting skills. During 21/22, the team grew to four full time staff members due to the level of demand. The team have supported clients to access over £100,000 worth of grants, helped get £1000's of pound worth of debt written off and devised realistic repayment plans which have stopped many people being evicted from their homes.

TRUSTEES REPORT

The success of the team has led to Groundwork West Midlands leading on the development of an online and in-person training programme that has been rolled out to Groundwork staff across the UK, so that staff across the Federation have basic knowledge on giving financial advice to clients they come into contact with.

Community & Environment

Tesco Community Grants

This programme is overseen nationally by Groundwork UK.

Over the last year, in the West Midlands, Tesco awarded £589,501 worth of grants to 525 not-for-profit organisations including: food banks, schools, scout/guide groups, resident associations, and sports clubs etc. We supported groups to apply for the funding, as well as helping any grantees who encountered problems delivering their projects.

We worked closely with Tesco store staff supporting them with celebration and promotional events in their stores. We also arranged and chaired panel meetings for store staff to enable them to select which groups will feature in their store vote. This year an additional 3 regions were added to our area meaning we now oversee 45 West Midlands regions.

To celebrate £100m donated to local community projects, in October Tesco launched a new strand to their grant-giving entitled “Golden Grants”. Golden Grants saw customers at selected stores given the opportunity to pull out a golden token from a tombola prize draw. The winning customer could then choose one of the three community projects in that store’s voting booth to receive a £10k golden grant. We had 8 regions in the West Midlands that took part in this Golden Grant give-away. We supported the local store staff to manage and publicise these grants.

Starting in the Autumn, we were part of a pilot scheme that saw the Tesco Distribution Centres brought into the Tesco Grants voting system. We had one clothing distribution centre in Daventry join the Rugby voting system. To support their inclusion in the project we ran panel meetings at the centre as well as celebration and promotional events. The pilot (which was also run at another distribution centre in the South East) has been deemed a success and Tesco are planning to roll this out to other distribution centres across the country in the coming year.

Wellies in the Woods

Between October 2021 and March 2023, Groundwork West Midlands have delivered nine Wellies in the Woods courses across Sandwell, Dudley, Wolverhampton, Cannock and Coventry. The project was funded by the Sylvia Adams Charitable Trust and Groundwork UK’s “Building a Better Groundwork” fund.

Originating from Groundwork East, Wellies in the Woods is an outdoor learning and play programme for families with children aged five and under. In the last year, we have supported 43 families to learn, play and bond in nature. 93% of parents said that after participating in the programme, they had experienced a positive change in themselves or their child such as improved confidence, enhanced wellbeing and/or better communication skills.

We also delivered three training courses for family centre staff across the West Midlands, so that centres can continue to deliver and develop the programme to their local communities. 100% of the staff who

TRUSTEES REPORT

participated in these training sessions said that they benefitted from the training and that they would recommend working with Groundwork West Midlands.

Following the closure of the Sylvia Adams Charitable Trust, we are looking for new avenues of funding to continue delivering this project.

Corporate Volunteering

Groundwork West Midlands is working with businesses to deliver corporate volunteer events that positively transform local communities and spaces. This project is funded directly by our corporate partners.

In the past year, 11 national/multinational companies have booked corporate volunteer events with Groundwork West Midlands, including PWC, KPMG and Avison Young. Our biggest corporate client is HS2, who hold a national contract with Groundwork UK. HS2 booked 84% of their 2022 events with Groundwork West Midlands, the highest of any of the Groundwork Trusts.

This year we have delivered 35 corporate volunteer events at community spaces including Castle Bromwich Gardens, Castle Vale Allotments and Baggeridge Country Park. Roger Herrington of the Wolverhampton & District Model Engineering Society said, "Groundwork's contribution has made a big difference to our progress. These jobs were causing us delays, but now thanks to the volunteers, we are about 95% done. It was a tremendous achievement and we would love to get involved again."

Our biggest event of the year was Avison Young's 'Day of Giving', where we delivered seven events on one day with 118 volunteers attending. We received very positive feedback from the volunteers, including that the events gave them a "feeling of giving something back and achievement through teamwork" and that they "would recommend Groundwork... Everyone leading the groups has been enthusiastic, warm and explained requirements in detail".

After appointing our new Corporate Volunteer Coordinator in January 2023, we are developing the project so we can take more volunteers to more community sites and make an even bigger impact. Our existing corporate partnerships are going strong, in particular HS2, with whom we have agreed to deliver a further 25 events in 2023.

Go Play Sandwell

Go Play was in the final year of its funding cycle, and the project has continued to offer free play opportunities across Tipton, Wednesbury and Smethwick. During the year, we have worked with 2,530 children (1,444 of which were aged between 6-12) across three towns, not including the significant number of families we worked with at various partner events across the year, such as SHAPE festival and the National Day of Play. We also successfully collaborated with Sandwell Council and our Go Play delivery partners to deliver Winter Wonderland and Summer Roadshows across the borough. Go Play also supported events for the Platinum Jubilee, as well as the 'Shine A Light' festival in the build up to the Commonwealth Games.

When asked, one parent at Thimblemill Library said they now "have a shelf dedicated to all the art projects they've done on Go Play sessions," whilst a child at West Smethwick Park stated that they "needed Go Play sessions whilst their local play area was closed." As of April 2023, we have been successful in securing delivery in Tipton and Smethwick for a further six month period, and will be bidding to continue work in these towns from October 2023 until 2026.

TRUSTEES REPORT

Business Development

Developing new business relies on strong relationships with potential and current partners, connections to funders and communication with a variety of other organisations including other Groundwork trusts.

This year, the newly appointed Business Development Manager has set about building a network of contacts, working with local authorities and VCOs to identify new projects and assessing the viability of opportunities along with our heads of delivery.

With funding increasingly targeted to support local grassroots organisations, partnership working and collaboration are more important than ever when developing new delivery projects. 2023 sees the closure of ESF-funded work, and a shift to Shared Prosperity Fund delivery. Alongside potential to work with HMPPS and their prime providers; the trust has also sought to renew relationships with strategic bodies such as local government and regional housing associations. Groundwork West Midlands will have a particularly strong focus on business development in the coming year, as we look to shift our funding model to reduce our reliance on grants, and increase our self-generated revenue streams.

The Future

Following an extended period of uncertainty, the charity now has a stable level of income, and is having a positive impact across the region. Following the Covid crisis, the organisation has discovered new and innovative ways of delivering our work, and whilst using this time to review and refresh our vision, mission and social objectives, GWWM has clarity around its purpose and is fit for the future. The CEO and Senior Management Team are now working hard to plan an organisation that delivers relevant and meaningful work in a post-Covid crisis world, to build on the excellent work already undertaken in our turnaround plan, shaping and embedding a culture in an organisation that is excited by future opportunities.

Our primary task is to now ensure that GWWM is a visible, active and recognisable positive presence in the region, building relationships with partners and exploring the development of new activities and initiatives to enable us to grow and play an active and vital role in making the West Midlands a better place to live, work and thrive.

TRUSTEES REPORT

Financial Performance

The result for 2022/23 shows a consolidated profit before investments gains of £347,058 (2022: gain £35,353) on a consolidated turnover of £3,241,445 (2022: £2,702,203).

The Trustees in 2015 agreed to invest the free reserves to create an income to be used to fund future operating costs of the Trust. Circa £1.2 million was invested and during 2022/23 this resulted in net loss of £77,995 (2022: net gain £28,001) bringing a result of a profit of £269,063 (2022: gain £63,354).

We review all operating areas of the Trust on a regular basis to ensure that we continue to trade on a sustainable basis and consider all opportunities presenting themselves in order that the Trust remains financially stable whilst delivering our strategic aims.

Reserves

In line with our three-year financial strategy our trustees have agreed to set a minimum level of free reserves at 15% of annual turnover or a minimum of £300k.

As at 31 March 2023 Groundwork West Midlands has total unrestricted reserves of £1,446,160 within which are free reserves of £1,427,833 after taking into account fixed assets.

The free reserves will enable Groundwork West Midlands to:

- manage known short term commitments that the Charity is exposed to in the course of its business and to fund the usual retrospective nature of programme funding
- respond to unplanned/unforeseen downturn, covering up to 6 months of overhead and salary costs of the organisation

Any income or donations that are received and deemed to be restricted funds are accounted for separately with our Financial Statements. Any monies held longer than the statutory minimum retention period after the end of the project, that was deemed restricted, will be reclassified and transferred to unrestricted reserves at the end of that period.

This transfer policy is based on the Statutory Record retention principals. Any funds still restricted beyond the statutory minimum retention period will be reclassified as Unrestricted. This is based on our own Records and Archiving Policy; we believe the funding organisations will have destroyed previous records, as have we, so they will no longer hold information to base future audit requests on, which may have resulted in requests for clawback or return of unspent funds.

The Board will keep its reserves policy under review to ensure that an appropriate balance is maintained between developing reserves to provide:

- sufficient funds to meet its forward obligations.
- a reserve against unforeseen events.
- adequate resources to fund new initiatives in order to promote the charitable objects.

Pension arrangements

The Trust currently offers two types of pension arrangement:

1. A group pension plan through Friends Provident or AEGON (as recommended by Groundwork UK) where employees pay a minimum of 4.5% of salary to Groundwork and a minimum 12% of salary is remitted to Friends Provident or AEGON.

TRUSTEES REPORT

2. A group pension plan through AEGON where employees pay a minimum of 4.5% of salary to Groundwork and a minimum 9% of salary is remitted to AEGON. This AEGON stakeholder scheme is also offered to employees after completion of 3 month's service.

Principal funding sources

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

- **Private sector grants and contracts** - £1.888m (£1.169m in 2021/22)

This includes funds provided by businesses, charitable trusts and foundations. This includes the Serco Restart Scheme funded by Department for Work & Pensions. It also includes sales income from Sustainable Business Services.

- **Public sector grants and contracts** - £1.317m (£1.498m in 2021/22)

This includes funding secured to deliver programmes and services on behalf of government departments, public bodies and lottery distributors. Major funders during 2022/23 included the National Lottery Community Fund, the European Social Fund and The Land Trust.

Expenditure on charitable objectives

In line with the objectives set in our Groundwork 2021 strategy, our expenditure in the year was directed towards the following activities.

- **Community projects** - £1.3m (2021/22: £1.4m)

Creating opportunities and delivering projects to improve people's lives and neighbourhoods

- **Employment projects** - £1.4m (2021/22: £1.1m)

Removing barriers to employment to help people get back into work

- **Running Groundwork West Midlands** – £20k (2021/22: £34.8k)

Ensuring Groundwork West Midlands is efficient, effective and flexible and generates maximum revenue from its assets and investments to support its charitable objects.

Principal Risks and Uncertainties

Groundwork West Midlands holds a high level risk register that Trustees review quarterly. Risks are categorised as Strategic, Governance, Regulatory, Financial, Operational and a score is attributed to the potential impact of named risks, multiplied by the score attributed to the likelihood of the event occurring. Mitigating actions are identified and a status report provided so that Trustees can take assurance that routine or exceptional issues are identified in good time and how they will be addressed.

A key risk was our inability to see through the three-year financial strategy, some of which was dependent on achieving business growth in a very uncertain financial economic landscape. Significant progress was made, and all of our key critical success factors were achieved ahead of schedule such as capitalising property, reducing overheads, recruitment of the permanent chief executive and investment in development activities.

Powers of investment

The Trustees are authorised by the Memorandum of Association to invest monies not immediately required for the charity's own purposes in such investments, securities or property as they deem fit subject to any conditions required by law.

TRUSTEES REPORT

This subject is discussed at Board level. The current thinking is that, where possible, monies should be held in easily accessible cash accounts primarily in order to facilitate the rapid set up of beneficial projects. Investments are made in line with our Investment Policy, reviewed annually at a Board Meeting with our Wealth Management Company.

Statement of Trustees Responsibilities

The Trustees (who are also Directors of Groundwork West Midlands for the purposes of company law) are responsible for preparing the Trustees' report (including the Group Strategic report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 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 accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware; and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

This report was approved by the Trustees, on and signed on their behalf by:



A Simpson, Chair
30th November 2023

INDEPENDENT AUDITORS REPORT

Opinion

We have audited the financial statements of Groundwork West Midlands (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, Balance Sheet and Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2023 and of the Group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Group 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 group's or of the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

INDEPENDENT AUDITORS REPORT

appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the Directors' 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 Directors' 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 light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept; 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 3 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 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.

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.

INDEPENDENT AUDITORS REPORT

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the group and the parent charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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 might be fundamental to the group's and the parent charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the group's and the parent charitable company's for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Employment legislation and Taxation legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, designing audit procedures over income, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing 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, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, 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 non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

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

INDEPENDENT AUDITORS REPORT

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.



Kerry Brown
Senior Statutory Auditor

For and on behalf of
Crowe U.K. LLP,
Statutory Auditor
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Date: 13 December 2023

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2023**

		Unrestricted Funds 2023	Restricted Funds 2023	Total Funds 2023	Total Funds 2022
	Note	£	£	£	£
INCOME FROM:					
Donations and legacies	3	1,015	-	1,015	8,547
Charitable activities	4	1,875,780	1,329,392	3,205,172	2,667,726
Other Trading activities	5	10,000	-	10,000	1,374
Investments	6	25,057	-	25,057	24,556
Other Income		201	-	201	-
TOTAL INCOME		1,912,053	1,329,392	3,241,445	2,702,203
EXPENDITURE ON:					
Raising funds	7	32,676	-	32,676	2,281
Charitable activities	8	1,559,540	1,302,171	2,861,711	2,664,569
TOTAL EXPENDITURE		1,592,216	1,302,171	2,894,387	2,666,850
NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS		319,837	27,221	347,058	35,353
Net (losses)/gains on investments		(77,995)	-	(77,995)	28,001
NET EXPENDITURE BEFORE TRANSFERS		241,842	27,221	269,063	63,354
Transfer between Funds	16	14,250	(14,250)	-	-
NET INCOME / (EXPENDITURE)		256,092	12,971	269,063	63,354
RECONCILIATION OF FUNDS:					
Total funds brought forward		1,190,068	71,123	1,261,191	1,197,837
TOTAL FUNDS CARRIED FORWARD		1,446,160	84,094	1,530,254	1,261,191

The notes on pages 25 to 41 form part of these financial statements.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2023

		2023		2022	
	Note	£	£	£	£
FIXED ASSETS					
Tangible assets	12		18,326		29,916
Investments	13		<u>1,155,742</u>		<u>1,233,737</u>
			1,174,068		1,263,653
CURRENT ASSETS					
Debtors	14	544,986		507,194	
Cash at bank and in hand		<u>322,059</u>		<u>390,752</u>	
		867,045		897,946	
CREDITORS: amounts falling due within one year	15	<u>(510,859)</u>		<u>(900,408)</u>	
NET CURRENT LIABILITIES			<u>356,186</u>		<u>(2,462)</u>
NET ASSETS			<u>1,530,254</u>		<u>1,261,191</u>
CHARITY FUNDS					
Restricted funds	16		84,094		71,123
Unrestricted funds	16		<u>1,446,160</u>		<u>1,190,068</u>
TOTAL FUNDS			<u>1,530,254</u>		<u>1,261,191</u>

The Trustees acknowledge their responsibilities for complying with the requirement of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on 30th November 2023 and signed on their behalf, by:



A Simpson, Chair

The notes on pages 25 to 41 form part of these financial statements.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

CHARITY BALANCE SHEET
AS AT 31 MARCH 2023

		2023	2022
	Note	£	£
FIXED ASSETS			
Tangible assets	12	18,326	29,916
Investments	13	<u>1,155,743</u>	<u>1,233,738</u>
		1,174,069	1,263,654
CURRENT ASSETS			
Debtors	14	544,986	507,194
Cash at bank and in hand		<u>322,059</u>	<u>390,752</u>
		867,045	897,946
CREDITORS: amounts falling due within one year	15	<u>(510,859)</u>	<u>(900,407)</u>
NET CURRENT ASSETS / LIABILITIES		<u>356,186</u>	<u>(2,461)</u>
NET ASSETS		<u>1,530,255</u>	<u>1,261,193</u>
CHARITY FUNDS			
Restricted funds	16	84,094	71,123
Unrestricted funds	16	<u>1,446,161</u>	<u>1,190,070</u>
TOTAL FUNDS		<u>1,530,255</u>	<u>1,261,193</u>

The surplus for the year dealt with in the accounts of the Charity was £269,063 (2022 – £88,761).

The Trustees acknowledge their responsibilities for complying with the requirement of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on 30th November 2023 and signed on their behalf, by:



A Simpson, Chair

The notes on pages 25 to 41 form part of these financial statements

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

CASH FLOW STATEMENT	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	18	(93,750)	255,606
Cash flows from investing activities:			
Dividends, interest and rents from investments		25,057	24,556
Proceeds from the sale of tangible fixed assets		-	-
Purchase of tangible fixed assets		-	(27,310)
Proceeds from sale of investments		-	135,000
Purchase of investments		-	(134,000)
Net cash provided by investing activities		25,057	(1,754)
Change in cash and cash equivalents in the year		(68,693)	253,852
Cash and cash equivalents brought forward		390,752	136,900
Cash and cash equivalents carried forward		322,059	390,752

The notes on pages 25 to 41 form part of these financial statements.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

1. COMPANY INFORMATION

Groundwork West Midlands (the charity) is a Company Limited by Guarantee, registered in England. The registered office is First Floor Owen House, 17 Unity Walk, Tipton, DY4 8QL.

Groundwork West Midlands helps to strengthen communities by delivering health, wellbeing, youth, employment and green projects across the West Midlands.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Groundwork West Midlands 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.

The Consolidated Statement of financial activities (SOFA) and Consolidated Balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Group has taken advantage of the exemption allowed under Section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Going concern

The Trustees consider they have sufficient reserves and cash to continue operating on a going concern basis for the foreseeable future.

As stated in the Trustee's Report, Trustees believe there are no material uncertainties that call into doubt the Charities ability to continue as a going concern and the accounts have therefore been prepared on the basis that the Charity is a going concern. In the short term cash holdings are sufficient to ensure adequate cash flow for the foreseeable future. In the medium to long term plans for, and the structure of, Groundwork West Midlands remain extant and will continue to be reviewed regularly.

2.3 Company status

The Charity is a company limited by guarantee. The members of the company are the Trustees named on page 44. 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.

2.4 Funds

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2.5 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.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refer to the Trustees' report for more information about their contribution.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity.

Governance costs are those incurred in connection with management of the charity's assets, organisational administration and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

All costs are allocated between expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of resources. Costs relating to a particular activity are allocated directly. Remaining shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	- 20% straight line
Furniture, fixtures and vehicles	- 20% straight line
Computer equipment	- 25% straight line
Motor vehicles	- 25% straight line

2.8 Investments

Fixed asset investments are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/ (losses) on investments' in the Statement of financial activities.

Subsidiary undertakings:

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 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 at the balance sheet date.

Debtors

Trade and other debtors are recognised at the settlement amount.

Creditors

Short term creditors are measured at the transaction price.

2.10 Pensions

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.11 Significant judgements and estimates

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

Significant judgements

There are no significant judgements having a material effect on the financial statements.

Significant estimates

There are no significant estimates having a material effect on the financial statements.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted Funds 2023 £	Restricted funds 2023 £	Total Funds 2023 £	<i>Total Funds 2022 £</i>
Donations	1,015	-	1,015	8,547
	1,015	-	1,015	8,547
Total 2022	8,547	-	8,547	

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2023 £	Restricted funds 2023 £	Total Funds 2023 £	<i>Total Funds 2022 £</i>
Community Projects	544,153	915,687	1,459,840	1,409,412
Employment Projects	1,274,694	413,705	1,688,399	1,196,647
Business Projects SBS	56,933	-	56,933	61,667
	1,875,780	1,329,392	3,205,172	2,667,726
Total 2022	1,260,672	1,407,054	2,667,726	

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

Income from projects provided by:

	Unrestricted Funds 2023 £	Restricted funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Central Government	-	18,099	18,099	40,107
Local Authorities	27,841	312,390	340,231	172,006
Public Agencies	369,023	-	369,023	342,095
European Union	-	27,130	27,130	108,480
National Lottery	-	562,373	562,373	835,065
Private Sector	1,478,916	409,400	1,888,316	1,169,973
	1,875,780	1,329,392	3,205,172	2,667,726

LOTTERY FUNDING

	2023 £	2022 £
BIG Lottery		
Every Step of the Way	2,562	36,836
Cook Together Eat Together	30,994	73,075
Communities Prepared Sparkhill	2,883	910
Fancy a Brew	-	12,776
Green Recovery Fund	23,109	120,373
Youth Accelerator Fund	-	7,200
Silverdale Country Fair	3,320	-
New to Nature	1,625	-
Building Better Opportunities	497,880	564,383
	562,373	815,553
Heritage Lottery		
Future Proof Parks	-	19,512
Total	562,373	835,065

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

5. OTHER TRADING ACTIVITIES

	Unrestricted Funds 2023 £	Restricted funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Other Income	10,000	-	10,000	916
Furlough Income	-	-	-	458
	10,000	-	10,000	1,374
Total 2022	1,374	-	1,374	

6. INVESTMENT INCOME

	Unrestricted Funds 2023 £	Restricted funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Dividend Income	25,057	-	25,057	24,556
	25,057	-	25,057	24,556
Total 2022	24,556	-	24,556	

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

7. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff Costs 2023 £	Depreciation 2023 £	Other Costs 2023 £	Total 2023 £	Total 2022 £
Expenditure on raising funds	24,348	-	8,328	32,676	2,281
Costs of raising funds	24,348	-	8,328	32,676	2,281
Community Projects	709,209		633,940	1,343,149	1,443,464
Employment Projects	1,112,872		332,224	1,445,096	1,124,703
Business Projects SBS	18,999		34,198	53,197	61,548
Running Groundwork WM	1,529	11,590	7,150	20,269	34,854
Charitable Activities	1,842,609	11,590	1,007,512	2,861,711	2,664,569
	1,866,957	11,590	1,015,840	2,894,387	2,666,850
Total 2022	1,658,546	13,260	995,044	2,666,850	

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £	Support Costs 2023 £	Total 2023 £	Total 2022 £
Community Projects	1,143,385	199,764	1,343,149	1,443,464
Employment Projects	1,189,855	255,241	1,445,096	1,124,703
Business Projects SBS	48,205	4,992	53,197	61,548
Running Groundwork WM	-	20,269	20,269	34,854
	2,381,445	480,266	2,861,711	2,664,569
Total 2022	2,162,903	501,666	2,664,569	

Summary by Fund Type:

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total 2022 £
Community Projects	460,864	882,285	1,343,149	1,443,464
Employment Projects	1,025,210	419,886	1,445,096	1,124,703
Business Projects SBS	53,197	-	53,197	61,548
Running Groundwork WM	20,269	-	20,269	34,854
	1,559,540	1,302,171	2,861,711	2,664,569
Total 2022	1,277,913	1,386,656	2,664,569	

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

9. SUPPORT COSTS

	2023	<i>2022</i>
	£	<i>£</i>
General Office	73,396	<i>58,525</i>
IT, Office equipment and maintenance	258,868	<i>245,710</i>
Human Resources	13,273	<i>22,456</i>
Finance and Legal	79,117	<i>84,154</i>
Governance	48,463	<i>73,902</i>
Investment Management Fees	7,149	<i>16,919</i>
	480,266	<i>501,666</i>

10. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2023	<i>2022</i>
	£	<i>£</i>
Depreciation of tangible fixed assets:	11,590	<i>13,260</i>
Auditors Remuneration	14,525	<i>13,325</i>
Operating Leases	160,916	<i>109,893</i>

During the year, no Trustees received any remuneration or other Benefits (2022 - £NIL).

During the year, Trustees received reimbursement of expenses totalling £NIL (2022 - £NIL) for travel and accommodation.

In accordance with normal commercial practice the charity have purchased Trustee indemnity insurance. The insurance provider covers up to £5 million on any one claim and the cost of the policy for the year is £18,618.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

11. STAFF COSTS

Staff costs were as follows:

	2023	<i>2022</i>
	£	<i>£</i>
Wages and Salaries	1,654,062	<i>1,478,246</i>
Social Security costs	141,215	<i>119,078</i>
Pension Costs	71,680	<i>61,222</i>
	1,866,957	<i>1,658,546</i>

The average number of persons employed by the Charity during the year was as follows:

	2023	<i>2022</i>
	No	<i>No.</i>
Direct Charitable	60	<i>64</i>
Fundraising and Publicity	2	<i>2</i>
Administration	2	<i>2</i>
	64	<i>68</i>

The number of higher paid employees was:

	2023	<i>2022</i>
	No	<i>No.</i>
In the band £80,001-£90,000	1	<i>1</i>
	1	<i>1</i>

Total contributions under defined contribution schemes on behalf of this higher paid employee were £5,250 (2022: £5,250).

At the year-end retirement benefits were accruing to 1 (2022: 1) higher paid employee under defined contribution schemes.

Key management personnel received total remuneration of £251,560 (2022: £279,205).

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

12. TANGIBLE FIXED ASSETS

		Furniture, Fixtures, Equipment & vehicles £	Total £
Group and Charity			
Cost			
At 1 April 2022		700,313	700,313
Additions		-	-
Disposals		(548,866)	(548,866)
At 31 March 2023		<u>151,448</u>	<u>151,448</u>
Depreciation			
At 1 April 2022		670,397	670,397
Charge for the year		11,590	11,590
On disposals		(548,866)	(548,866)
At 31 March 2023		133,121	133,121
Net book value			
At 31 March 2023		18,326	18,326
At 31 March 2022	-	29,916	29,916

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

13. FIXED ASSET INVESTMENTS

Charity	Listed Securities
	£
Market Value	
At 1 April 2022	1,233,737
Additions	-
Disposals	-
Revaluations	(77,995)
At 31 March 2023	<u>1,155,742</u>
At 31 March 2022	<u>1,233,737</u>

Group investments at market value comprise:

	UK	Overseas	Total	Total
	£	£	2023	2022
			£	£
Listed Investments	230,148	925,593	1,155,741	1,233,737

Group material investments

The following investments represent more than 5% of the portfolio:

	2023	2022
	£	£
UBS ETF SICAV BLB BARCLAYS MSCI UK	67,462	75,799
UBS ETF SICAV MSCI Pacific SOC RES	63,248	66,499
UBS ETF PLC MSCI UK SOC RES UCITS ETF	138,055	144,415
UBS ETF SICAV MSCI USA Socially Resp UCIT	366,053	387,445
UBS ETF SICAV MSCI EMU SOC RESP CL A GBP	166,840	158,649
ISHARES II PLC Core UK Gilts UCITS	38,662	46,688
ISHARES II PLC GBP Index-Inkd Gilts UCITS	53,431	73,703
BLACKROCK FXD INC ISHARES GREEN BD IDX	83,865	92,747
UBS ETF SICAV MSCI EMRGNG MRKTS SOC RES	58,021	64,726
GS 5Y HFIX CALL SPX UKX	120,105	123,066
	<u>1,155,742</u>	<u>1,233,737</u>

Shares in Group

	Listed Securities	Undertakings	Total
	£	£	£
At 1 April 2022	1,233,737	1	1,233,738
Additions	-	-	-
Disposals	-	-	-
Revaluations	(77,995)	-	(77,995)
At 31 March 2023	<u>1,155,742</u>	<u>1</u>	<u>1,155,743</u>

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

Charity Investments at cost comprise:

	UK	Overseas	Total 2023	Total 2022
	£	£	£	£
Listed Investments	230,148	925,593	1,155,741	1,233,737
Group	1	-	1	1
Total	230,149	925,593	1,155,742	1,233,738

14. DEBTORS

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	318,917	365,038	318,917	365,038
Amounts owed by group undertakings	-	-	-	-
Other debtors	-	-	-	-
Prepayments and accrued income	226,062	142,156	226,062	142,156
Total	544,979	507,194	544,979	507,194

15. CREDITORS: Amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Overdraft facility	-	210,696	-	210,696
Trade creditors	69,965	187,873	69,965	187,873
Amounts owed to group undertakings	-	-	1	1
Other taxation and social security	90,817	74,991	90,817	74,991
Clawback creditors	33,731	-	33,371	-
Other Creditors		163		163
Accruals and deferred income	316,346	426,685	316,704	426,683
Total	510,859	900,408	510,858	900,407

The overdraft facility is repayable on demand and is secured against investments held with UBS.

Deferred income

Charity

Movements in deferred income during the year were as follows:

	Balance at 1 April 2022	Amount released to incoming resources	Amount deferred in the year	Balance at 31 March 2023
	£	£	£	£
Community Projects	252,853	(252,853)	123,187	123,187
Employment Projects	98,875	(98,875)	137,664	137,664
Business Projects	7,150	(7,150)	-	-
Central Funding	-	-	-	-
Total	358,878	(358,878)	260,851	260,851

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

Deferred Income comprises commission income received in advance.

16. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Balance at 31 March 2023 £
Unrestricted funds						
General Funds	1,190,068	1,912,053	(1,592,216)	14,250	(77,995)	1,446,160
Restricted Funds						
Community	71,123	831,328	(797,741)	(20,616)	-	84,094
Building Better Opportunities	-	498,064	(504,430)	6,366	-	-
	71,123	1,329,392	(1,302,171)	(14,250)	-	84,094
Total of Funds	1,261,191	3,241,445	(2,894,387)	-	(77,995)	1,530,254

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Balance at 31 March 2023 £
General Funds	1,190,068	1,912,053	(1,592,216)	14,250	(77,995)	1,446,160
Restricted Funds	71,123	1,329,392	(1,302,171)	(14,250)	-	84,094
Total of Funds	1,261,191	3,241,445	(2,894,387)	-	(77,995)	1,530,254

The unrestricted funds of the charity are those that are not designated for a particular purpose.

The restricted funds of the charity are those that are received for a particular purpose and these encompass the following activities:

Community and general - building stronger neighbourhoods through the provision of community consultations and training and support for community and resident groups.

Employment – working with unemployed individuals, supporting them into employment, education or training.

The transfers during the year represent amounts to either top up restricted projects using unrestricted funds available, and/or transfer any remaining completed project surplus to unrestricted funds in line with the agreement.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Balance at 31 March 2022 £
Unrestricted funds						
General Funds	1,106,252	1,295,149	(1,280,194)	40,860	28,001	1,190,068
Restricted Funds						
Community	91,585	937,917	(916,021)	(42,358)	-	71,123
BBO Employment	-	469,137	(470,635)	1,498	-	-
	91,585	1,407,054	(1,386,656)	(40,860)	-	71,123
Total of Funds	1,197,837	2,702,203	(2,666,850)	-	28,001	1,261,191

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Balance at 31 March 2022 £
General Funds	1,106,252	1,295,149	(1,280,194)	40,860	28,001	1,190,068
Restricted Funds	91,585	1,407,054	(1,386,656)	(40,860)	-	71,123
Total of Funds	1,197,837	2,702,203	(2,666,850)	-	28,001	1,261,191

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted Funds	Restricted funds	Total Funds
	2023	2023	2023
	£	£	£
Tangible fixed assets	18,327	-	18,327
Fixed Asset investments	1,155,742	-	1,155,742
Current assets	768,694	98,344	867,038
Creditors due within one year	(510,859)	-	(510,859)
	1,431,904	98,344	1,530,248

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted Funds	Restricted funds	Total Funds
	2022	2022	2022
	£	£	£
Tangible fixed assets	29,916	-	29,916
Fixed Asset investments	1,233,737	-	1,233,737
Current assets	826,823	71,123	897,946
Creditors due within one year	(900,408)	-	(900,408)
	1,190,068	71,123	1,261,191

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

	Group	
	2023	2022
	£	£
Net expenditure for the year (as per Statement of Financial Activities)	269,057	63,354
Adjustment for:		
Depreciation and amortization charges	11,590	13,260
(Gains)/losses on investments	77,995	(28,001)
Dividends, interest and rents from investments	(25,057)	(24,556)
(Increase)/decrease in debtors	(37,786)	(276,463)
Increase/(decrease) in creditors	(389,549)	508,012
	(93,750)	255,606

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group	
	2023	2022
	£	£
Cash in hand	322,059	390,752
Total	322,059	390,752

20. ANALYSIS OF NET DEBT

	At 1 April 2022 £	Cash Flows £	At 31 March 2023 £
Cash at bank and in hand	390,752	(68,693)	322,059
Debt due within 1 year	(210,696)	210,696	-
	180,056	142,003	322,059

21. PENSION COMMITMENTS

The Trust currently offers two types of pension arrangement:

1. A group pension plan through Friends Provident or AEGON (as recommended by Groundwork UK) where employees pay a minimum of 4.5% of salary to Groundwork and a minimum 12% of salary is remitted to Friends Provident or AEGON.

2. A group pension plan through AEGON where employees pay a minimum of 4.5% of salary to Groundwork and a minimum 9% of salary is remitted to AEGON. This AEGON stakeholder scheme is offered to employees after completion of 3 months' service

Contributions totalling £11,360 (2022: £11,114) were payable at the year end and are included in creditors.

22. OPERATING LEASE COMMITMENTS

At 31 March 2023 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group	
Group and Charity	2023	2022
	£	£
Amounts payable:		
Not later than 1 year	30,475	25,407
Later than 1 year and not later than 5 years	77,152	86,420
Total	107,627	111,827

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

23. RELATED PARTY TRANSACTIONS

There have been no other related party transactions that require disclosure other than transactions with the subsidiary company, Groundwork West Midlands Enterprise Limited, for sundry expenses of £Nil (2022: £28). There were no outstanding balances at year end (2022: £Nil)

24. PRINCIPAL SUBSIDIARIES

Groundwork West Midlands Enterprise Ltd

Subsidiary name	Groundwork West Midlands Enterprise Ltd
Company registration number	07110713
Basis of control	100%
Total assets as at 31 March 2023	£ 1

25. FINANCIAL INSTRUMENTS

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Financial assets				
Investment in Listed Securities	1,155,742	1,233,737	1,155,742	1,233,737
Trade Debtors	318,917	365,038	318,917	365,038
Accrued Income	171,954	94,641	171,954	94,641
Financial Assets measured at amortised cost	490,871	459,679	490,871	459,679
Financial liabilities				
Trade Creditors	69,965	187,873	69,965	187,873
Accruals	55,492	67,809	55,492	67,809
Financial Liabilities measured at amortised cost	125,457	255,682	125,457	255,682

Financial assets measured at fair value through income and expenditure comprises investments in listed securities.

Financial assets measured at amortised cost comprise trade debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors and accruals.

ADVISORS

Auditors

Crowe U.K. LLP
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Bankers

The Co-operative Bank
PO Box 250
Skelmersdale
WN8 8WT

Investment Managers

UBS AG Wealth Management
10 Colmore Row
Birmingham
B3 2QD

Oculus Wealth Management
Game Keepers Cottage
Woodhouse Lane
Nanpantan
Loughborough
Leicestershire
LE11 3YG

Solicitors

Clowes & Co
112 Baddeley Green Lane
Baddeley Green
Stoke-on-Trent
Staffordshire ST2 7HA

Veale Wasbrough Vizards
3 Brindley Place
Birmingham
B1 2JB

The Board of Trustees

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

Appointed trustees

A Simpson, Chair

J Patel

I Priest

R Tappia

B Bickerton

G Hooper

P Farrell

Company Secretary

Deborah Williams

Committees of the Board

Finance and Audit Committee

Chair – Ian Priest

Chief Executive

Andrew Thompson



Contact us

Groundwork West Midlands
First Floor Owen House,
17 Unity Walk, Tipton, DY4 8QL

www.groundwork.org.uk/hubs/westmidlands

Tel: 0121 530 5500

E-mail: westmids@groundwork.org.uk

Twitter: @GWWM

Facebook: /groundworkwestmids

Instagram: @GroundworkWestMids

LinkedIn: Groundwork West Midlands

Charity Registration Number: 1128858

Company Registration Number: 06823225

Accounts



Groundwork West Midlands

Annual Report and Financial Statements 2021/22

Charity registration number
1128858

Company registration number
06823225

Registered office:
First Floor Owen House
17 Unity Walk
Tipton
DY4 8QL

Contents

Page

1	About Groundwork West Midlands
2	Message from the Chair
3	Governance
6	Objects and public benefit
6	Strategic report
12	The Future
13	Financial performance
14	Principal risks and uncertainties
15	Statement of trustees' responsibilities
17	Independent auditor's report
21	Statement of financial activities
22	Consolidated balance sheet
23	Charity balance sheet
24	Cash flow statement
25	Notes forming part of the financial statements
42	Advisors
43	The Board of Trustees

TRUSTEES REPORT

About Groundwork West Midlands

Groundwork West Midlands (GWWM) is an incorporated charity working to transform lives in the UK's most disadvantaged communities. We are passionate about creating a future where every neighbourhood is thriving, every community is strong and able to shape its own destiny and no-one is held back by their background or circumstances.

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

We are part of a federation of independent charities in England, Wales and Northern Ireland called Groundwork Trusts, supported by a national office called Groundwork UK.

Our teams are based in offices across the West Midlands delivering services where they are needed the most.

We are passionate about;

- Creating better places & connections to the natural world
- Improving peoples' prospects & raising aspirations
- Promoting healthier & greener choices

We believe that working with local communities to build their resilience is vital in facing up to the challenges of a post-Covid-19 West Midlands. We know that the negative effects of climate change and environmental breakdown impact first and worst on those who have the least power in society, and who contribute least to the cause of the crisis. A 'just transition' to an inclusive, net-zero economy must tackle, rather than entrench, this inequality and provide a springboard for better work and healthier, happier lives in the places that need it most.

This means creating green jobs that build wealth in local communities, changing behavior to reduce wasted food, energy and water, providing biodiverse, accessible green spaces, supporting businesses to be more responsible and empowering communities to lead activities that improve their quality of life and promote health and wellbeing.

TRUSTEES REPORT

Message from the Chair

Like most other organisations, communities and individuals, we have realized that life hasn't gone back to the "old norms" post-Covid. The emergence in 2021 and 2022 from the restricted world of Covid has created many challenges to communities, business and society and therefore additional demands and new opportunities for Groundwork West Midlands. As we made a return to face-to-face delivery of projects, the real, potentially long term, impacts of the pandemic were manifest, with increased isolation impacting mental and physical well-being of many of the people that we work with. In this environment, our focus for the year has been to increase our effectiveness and efficiency of delivery for our customers.

Helping to address climate change remains central to our mission, and we strive to do this through operational efficiencies and in our path to net zero, together with programmes such as Green Doctor, that have helped reduce household energy bills, increase energy management skills and trained an expanded network of advisors to help local communities. I would hope that this programme can be expanded into a more commercial offer for business next year, also helping self-sustainability for Groundwork West Midlands and others in our network.

Our Restart Programme has proved to be an immense success, and the initial programme awarded has been expanded, largely due to the successful delivery of original targets by our Restart Teams, working to unlock employment opportunity for communities and individuals in need.

As this report is published, we see the UK in a very difficult economic climate, we anticipate that the demands on our services will sharply increase and, working efficiently, effectively, in areas of greatest need will become even more critical. We are now working more closely with other Midlands-based Groundwork Trusts to share knowledge, expertise and resources to support this. We are an organization rooted in relationships and with stronger collaboration, this also been a key focus this year, working on extended partnerships and relationships with delivery partners, funders and commissioners.

Our Trust comprises a fabulous family of committed and skilled teams and volunteers, they are, and will always be, the greatest asset in our arsenal. The SMT, lead ably by Andrew Thompson our CEO, have driven improvement and delivery and continue to strive for excellence. Sadly, this year we lost a much loved and respected member of our SMT, Simon Johnson, an experience that brought sharply into focus both the power of individual impact, and our frailty and interdependence. We are all at times providing support or are in need, these human traits make us stronger together, motivate us and are central to the Groundwork mission.

I am delighted to present this 2021/22 Annual Report and with it say a very big thank you to our teams, volunteers and partners for their untiring commitment, professionalism, and hard work. As we continue to consolidate our financial stability, our ambition as a Board of Trustees is to ensure that we work in the areas of greatest need, where we can have greatest impact, and that we maintain focus on our strategic objectives. By focusing on creating better places for people, enabling people to improve their prospects and helping people and organisations to make greener choices, we maximise the impact of our mission. We will continue to have these objectives at the heart of our 2022/23 year going forwards.

Anne-Marie Simpson, Chair



27th October 2022

TRUSTEES REPORT

Governance

Structure

Groundwork West Midlands, the charity and the group, is a charitable company limited by guarantee, registered with the Charity Commission (number 1128858) and Companies House (number 06823225). The organisation is governed by its Memorandum and Articles of Association dated 9 June 2009; Trustees are elected or coopted in accordance with these.

Board of trustees

The Groundwork West Midlands board comprises Trustees appointed in accordance with the Charities Act 2011, who are also the directors of the company in accordance with the Companies Act 2006. We take our governance responsibilities very seriously, recognising the need to ensure as much of our resource as possible is expended on delivering our charitable mission while ensuring our organisation is strong, well-managed and financially viable in the long term.

The Trustees are responsible for ensuring sound organisational systems, processes and policies are maintained and embedded in the way Groundwork West Midlands is managed. This includes policies governing our fundraising standards, our investments and our responsibilities to our staff, volunteers and beneficiaries. We pay particular attention to issues of health and safety, data protection and information security and we maintain comprehensive business continuity arrangements.

We take safeguarding very seriously and have a nominated, trained champion on our board. Our Trustees ensure we have access to the expertise needed to run our organisation efficiently, effectively and safely; new Trustees are provided with an induction to the organisation, with a focus on roles and responsibilities.

The Groundwork West Midlands board's work is supported by our Finance and Audit Committee, a sub-committee which oversees the audit process and reviews our Annual Report and Financial Statements independently of the main board.

Management Team

In 2020, we undertook a review of the SMT and installed new members with strong experience of managing and delivering our projects and services. The SMT is now fully representative of all functions of the organisation, and reporting lines are much clearer. The new look SMT has continued to perform well, resulting in greater efficiencies, communication throughout the organisation and delivery of our projects and services.

The SMT priority areas for the year were:

- Business Planning for the future/recruitment to a dedicated role
- Relationship building with peer organisations and partners
- Improved internal communication
- Vision / Mission / Values review

TRUSTEES REPORT

The Senior Management Team includes staff members responsible for financial and business management, business development and programme management. The SMT is fully accountable to the Board and the Finance and Audit Committee and operates through delegated powers outlined in our financial regulations.

The team provides regular reports to the board on financial and operational performance and risk management. SMT meets monthly to discuss strategy and operation management of the organisation.

Sadly, during the year, our Resources Manager passed away, and as well as the human and emotional impact upon the organization and our team, this left a skills and experience gap in GWWM. We reviewed the functions of this role, and created a new role of 'Office Manager' that has been recruited to and works well.

Relationships within Groundwork

Groundwork West Midlands is one Trust within the Groundwork federation of independent charities. Each Groundwork Trust works under a common brand to a common strategy. This strategy sets the direction, milestones and targets which influence operational decision-making across all parts of Groundwork and against which the senior executives hold each other to account.

Within this strategic framework Groundwork Trusts make their own decisions about the project work they develop and deliver. The federation strategy supports this local decision-making by focusing on those areas of development and delivery where there is a need or an opportunity for Groundwork to act collectively in order to achieve maximum benefit for the communities it serves. Individual Trusts benefit from sharing intelligence and the potential to replicate business models that are being delivered in other parts of the federation.

The national office, Groundwork UK, delivers services and activities to support Groundwork Trusts by building brand and profile, generating income for local delivery and supporting quality and impact. Groundwork UK is held to account for its performance by its members. Each Groundwork Trust signs a membership agreement which sets down the obligations of Trusts to Groundwork UK and to each other and the services and standards Groundwork UK will deliver on behalf of the federation.

The value and benefit of being a member of the Federation was underlined during the ongoing Covid-19 crisis, as the Federation has come together to share best practice and agree common crisis response, areas for joint development and future positioning. The crisis response has also encouraged neighbouring trusts to develop closer working relationships and explore collaborative opportunities.

During the year, GWWM has been working with other trusts across the central region, to develop a 'Midlands Hub' of trusts across Central England. We have agreed common areas for greater collaboration and partnership working including:

- Green Doctor Development
- Land Design Development
- Marketing and Communications shared strategy

TRUSTEES REPORT

Related party relationships

The charity operates one trading subsidiary, Groundwork West Midlands Enterprises Limited. All of the issued share capital of this company is held by the charity. This company was formed to operate contracts falling outside the scope Groundwork West Midlands core areas. For 2021–22 no significant transactions were undertaken in Groundwork West Midlands Enterprise Limited that were profit/loss affecting other than unavoidable transactions such as Bank Charges.

Our commitments

We will be environmentally aware and focused on communities in need. Our decisions, actions and operations will be guided by our sustainable development policy, which sets out how we aim to contribute to creating a strong and just society living within environmental limits. Everything we do is underpinned by our values, which inform the way we work and behave. These are:

- We will invest in the places and people that need us most – prioritising our resources to bring about lasting change by building skills and capacity within the local communities where we can make most difference.
- We will work with local leaders and listen to local voices –ensuring those it is designed to benefit and adds value to the assets that exist in local areas shape our work.
- We will grow a culture of equity and inclusion – operating with transparency and integrity, seeking out a diversity of viewpoints, in the work we do and the people we employ.
- We will be committed to collaboration – forging strong partnerships, contributing to a thriving community sector and helping others lead where this will achieve greater impact.
- We will act as environmental exemplars – championing practical action to combat the climate and nature emergency and measuring and reducing our own environmental impact

Safeguarding

As a charity dedicated to supporting vulnerable people we make sure our operations are delivered safely and to the highest ethical standards. Groundwork UK have recently undertaken a federation-wide review of Trusts’ arrangements for safeguarding and whistleblowing. This work ensures Groundwork Trusts can identify and embed best practice in terms of local management, governance oversight and transparent reporting. Groundwork West Midlands continues to exceed the minimum recommended requirements.

Fundraising activities

The charity had no fundraising activities that require disclosure under S162A of the Charities Act 2011.

TRUSTEES REPORT

Objects and public benefit

Groundwork West Midlands charitable objects are set down in its Memorandum of Association dated 9 June 2009. They commit us to delivering and promoting regeneration and sustainable development.

The 13 objects cover environmental conservation, social welfare, public education, urban and rural regeneration for public benefit, training and employment opportunities, housing, public amenities, historic buildings, recreational facilities, derelict land reclamation, public health, public safety and other means as may be determined by the Charity Commissioners.

Groundwork West Midlands exists primarily to provide public benefit. Specific benefits delivered in 2021 - 2022 are detailed in the Strategic Report section and provide evidence that the criteria for public benefit have been met. Groundwork West Midlands Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the organisation's objectives and planning future activities.

Our work is designed to address the needs of all sections of the community and we provide equal access to our services regardless of race, gender, disability or sexual orientation. For further details about our work visit www.groundwork.org.uk/hubs/westmidlands/

Strategic report for the year ended 31 March 2022

Strategic Overview

Groundwork West Midlands is the community charity with a green heart. Our mission is for thriving, sustainable communities and our vision is of vibrant West Midlands communities where people and enterprise prosper.

We have been working for over 20 years to create stronger communities with better local environments, to tackle climate change and combat fuel poverty, to improve skills and get people back into work and inspire the next generation of community champions and green leaders.

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

Our Impact

We spent time during the year considering our impact and how we can effect change. Our work supports people facing multiple challenges – living in isolation or with significant health issues, in communities with few facilities, and with limited employment prospects.

TRUSTEES REPORT

We have nearly four decades' experience of building partnerships to address these challenges in three ways:

- **We create better places** - Making communities greener, safer and healthier by enabling people to work together to bring about change in their local area.
- **We improve people's prospects** - Increasing the confidence, skills, wellbeing and employability of those struggling in education or out of work.
- **We promote greener choices** - Helping people and businesses reduce their environmental impact, cut waste save money and live more healthily.

We will focus our work in the areas of greatest need across the whole West Midlands Regional footprint.

Sustainable Development Goals.

We prioritise our work and measure our achievements based on the difference we make to the lives of people, our impact on the environment and our contribution to UN Sustainable Development Goals. We have identified six goals, which align most closely with our work:

- Goal 1: No poverty
 - Helping people into work and building the resilience of those who are most vulnerable
- Goal 7: Affordable and clean energy
 - Improving energy efficiency and promoting renewables
- Goal 8: Decent work and economic growth
 - Creating jobs and enterprise and helping young people into work
- Goal 11: Sustainable cities and communities
 - Improving green spaces, promoting sustainable transport and improving air quality
- Goal 12: Responsible consumption and production
 - Reducing waste and promoting positive environmental behaviours amongst communities and businesses
- Goal 13: Climate action
 - Promoting practical action and strengthening the resilience of communities to cope with climate-related events

TRUSTEES REPORT

Context & Impact of Covid – ‘21/22’.

This has once again been a very challenging year, and the immediate priority for GWWM has been to manage the continuing Covid-19 crisis, whilst ensuring business continuity as much as possible, and to plan for, and assess the longer-term impact that the pandemic will have on our future. There was still significant impact of Covid-19 on the year, however, towards the end of 2021 we started to see an increasing number of stakeholders returning to normality, with a marked increase in the number of face-to-face activities.

We are pleased to report that GWWM continued to deliver throughout the ongoing Covid-19 crisis, win new contracts and funding for future work, and commenced a range of development and business planning activities to ensure that we are fit for the future and prepared to take advantage of a range of opportunities for growth.

Strategic positioning

However, Groundwork West Midlands has worked hard during the year to position itself effectively alongside the wider federation, to be strategically positioned to meet the challenges and needs of a post-Covid West Midlands, and form an integral part of the ‘building back better’ response to the pandemic.

This has resulted in a strategic focus for the future on:

- **Employment & training** - Responding to increased levels of unemployment, especially in young people and the over 55's
- **Environment and climate change** - Responding to delays to the climate change agenda and achievement of climate change targets
- **Health & wellbeing** - Responding to increased health inequalities, mental health pandemic and obesity crisis

Summary of our charitable work.

The following is a sample of the work undertaken to satisfy these objectives during a very challenging year:

Healthy Lifestyles

2021/22 saw the Healthy Lifestyles projects return to full face-to-face delivery and to physically return to the communities and partners that we work with. It quickly became clear to the team that the impacts of Covid were going to be vast and long lasting. Impacts included:

- Increased Social Isolation
- Decreased confidence in completing what were previously everyday tasks.
- Increase number of people struggling with mental and physical well-being.
- Huge educational gaps within young people.
- Increased levels of poverty and reliance on foodbanks.

TRUSTEES REPORT

Where possible delivery of projects have been adapted and capacity increased to help address some of the issues mentioned.

Green Doctor

2021/22 has seen a growth in our Green doctor service across the West Midlands. We now have coverage in the key urban areas of Coventry, Birmingham, Stoke on Trent & North Staffordshire and Sandwell. The team have supported over 1500 families to access energy advice, grant support, fuel vouchers, winter warm packs and behaviour change support.

The team have established a wide network of referral partners and have trained approx. 300 front line staff in how to give basic energy advice. During the last 12 months, we have also launched a monthly newsletter, delivered bi-monthly webinars in partnership with Groundwork in the North and started undertaking paid-for retro-fit assessments.

We have become a key partner to many Councils and Housing Associations and are becoming a key player in the energy advice sector.

Breakthrough

Breakthrough is a BBO funded project that supports people with financial advice, managing debt and general budgeting skills. During 21/22, the team has grown to four full time staff members due to the level of demand. The team have supported clients to access over £100,000 worth of grants, helped get £1000's of pound worth of debt written off devised realistic repayment plans, which have stopped many people being evicted from their homes.

The success of the team has led to Groundwork West Midlands leading on the development of an online and in-person training programme that has been rolled out to Groundwork staff across the UK, so that staff across the federation have basic knowledge on giving financial advice to clients they come into contact with.

Progress

Progress is a BBO funded project that supports young people who are NEET or at risk of becoming NEET. The team work across schools and pupil referral units in Warwickshire. During the last 12 months, the team has grown to four staff members due to the success of our delivery to date and the increased demand. The team work on a one-to-one basis with students who often have a range of challenging behaviours and mental health issues. The personalised support has seen over 60 young people progress into further education, employment or return to mainstream school.

The impacts of Covid have been very clear to see within this group as many young people have not returned to school, have developed or seen a decline in their mental health problems and in many cases lost all motivation and ambition.

Land Management

Within our Land Management portfolio we manage five country parks and a number of land-based projects. The country parks are continuing to thrive and community engagement is at an all-time high. Our events such as bat walks, nature walks, pond dipping and forest schools are well attended and receive great user feedback. Volunteer numbers are also high with multiple groups active on each site.

TRUSTEES REPORT

We have delivered a Natural Neighbourhoods project on Silverdale Country Park, which involved recruiting and training young people into paid six-month positions or 3-month voluntary placements. Six young people were recruited as paid assistant Rangers and received training in practical skills, employability skills and carbon literacy. All six have gone onto further employment. Over 50 volunteers were recruited and trained and undertook valuable tasks on the parks such as dry stone walling, hedge laying, scything and path repair and maintenance.

The sites have continued to win awards during 21/22:

- Green Flag Award – Silverdale Country Park
- Britain in Bloom Gold Award – Silverdale Country Park
- Education Site of the year (Land Trust Awards) – Silverdale Country Park
- Runner up Education Site of the Year (Land Trust Awards) – Bilston Nature Reserve
- Runner up Nature Site of the Year (Land Trust Awards) – Telford Millennium Nature Reserve

Restart – Tipton, Dudley, Birmingham & Coventry

Restart is a DWP funded project and is payment by results. Initially this project was set up to support the “Covid cohort” – anyone who was a victim of employment issues during the lockdown periods. This has since adapted and is now catering for many claimants that access benefits and Job Centres.

Supporting all age ranges to break down barriers to employment and move them into work. Debt, Housing, substance dependency – through to the interview prep, motivation and confidence etc. This project comes with many strict customer service standards that all partners must achieve as well as the employment target each month.

We mobilized this project and recruited over 20 staff members and organising 4 new delivery centres. Since the outset of the project Groundwork WM have secure top position in performance across the whole supply chain. Because of this, we have been awarded further referral allocation and budget in the Dudley area, and secured a new allocation in Oldbury – we are currently recruiting for this and will source premises in Oldbury to deliver this service.

BBO Progress – Coventry and Warwickshire

BBO Progress is a project delivered across Coventry and Warwickshire supporting NEET (not in education, employment or employment) young people to move them into employment or education. We support through individual IAG (information advice and guidance) and break down barriers to achieving these outcomes.

Following on from lifted Covid restrictions, the team have worked well to get back to face-to-face delivery. This has rescued the performance that was lost during the lockdown.

We were successful in securing extra funding for phase three of the project and we are confident that we will achieve the required outputs for the Prime and the funder.

It is quite evident that no further funding will be available and we are preparing to engage with new customers up until Dec 2022 – we will then concentrate on working with the existing participants through to March 2023 when the funding ends.

TRUSTEES REPORT

BBO Connecting Choices – Stoke on Trent

Following on from the Covid Lockdown, this project struggled to maintain a good performance level.

The budget did not allow us to continue past Dec 2022. Therefore, a decision was made to reduce staff by one to ensure we had sufficient project time to deal with any performance deficit. Unfortunately, due to remaining staff long term sick and the performance levels dropping further, a decision was made by Head of Employment and Groundwork CEO to hand the project back. This would ensure that the prime had adequate time to reallocate the funds and work on any lost performance for their project as a whole.

BBO Evolve – Burton

Supporting participants 16+ to move into employment, education or competent job search, and working with individuals furthest away from the labour market supporting with various barriers.

The programme provides help with confidence, Mentoring, CV and application support coupled with effective IAG, we design a plan for participants to reach their goal in a specific time. We deliver either within our centre or out in the community, and we work with many stakeholders and organisations to support our participants to an employment/education or effective job search outcome.

We received further funding to continue delivery of phase 3 of BBO and we will engage with new participants up until Dec 2022. We will then continue to work with existing participants until March end 2023 when the project comes to its end. There will be no further funding for this project past this time.

BBO Family Matters – Sandwell

This project supports people that are in a family environment, single parents or caring responsibilities. We support breaking down barriers to employment, education or competent job search.

Our links with local colleges are proving very successful and our education route for customers is exceeding the required standard set by the Prime (Black Country Together)

Following the Covid restriction being lifted, we have worked well to deliver face-to-face appointments with participants. Performance was maintained during lockdown due to the low numbers required on programme.

We are awaiting the final round of funding to take us through to March 2023, which will be the end of the project.

Sustainable Business Services

Groundwork West Midlands Sustainable Business Services supports mainly SMEs (small and medium sized enterprises) from across the West Midlands supporting them with their environmental and health and safety legal obligations. We deliver a suite of services that range from managing legal registers, annual environmental and health and safety compliance audits, through to providing ad-hoc bespoke training or quarterly reports on generic legal updates.

TRUSTEES REPORT

The Future

Following extended periods of lockdown and uncertainty, where the organisation has discovered new and innovative ways of delivering our work, GWWM now has clarity around its purpose and is fit for the future.

The CEO and senior team are now working hard to plan an organisation that delivers relevant and meaningful work in a post-Covid crisis world, to build on the excellent work already undertaken in our turnaround plan, shaping and embedding a culture in an organisation that is excited by future opportunities.

The CEO's primary task is to now ensure that GWWM is a visible, active and recognisable positive presence in the region, building relationships with partners and exploring the development of new activities and initiatives in order to grow and play an active and vital role in making the West Midlands a better place to live and work.

TRUSTEES REPORT

Financial performance

The result for 2021/22 shows a consolidated profit before investments gains of £35,353 (2021: deficit £246,209) on a consolidated turnover of £2,702,203 (2021: £1,543,980).

The Trustees in 2015 agreed to invest the free reserves to create an income to be used to fund future operating costs of the Trust. Circa £2.5 million was invested and during 2021 - 2012 this resulted in net gain of £28,001 (2021: net gain £202,229) bringing a result of a profit of £63,354 (2021: deficit £43,980).

We review all operating areas of Trust on a regular basis to ensure that we continue to trade on a sustainable basis and consider all opportunities presenting themselves in order that the Trust remains financially stable whilst delivering our strategic aims.

Reserves

In line with our three-year financial strategy our trustees have agreed to set a minimum level of free reserves at 15% of annual turnover or a minimum of £300k.

As at 31 March 2022 Groundwork West Midlands has total unrestricted reserves of £1,190,068 within which are free reserves of £1,160,152 after taking into account fixed assets, and £949,456 after taking into account our committed use of our overdraft facility.

The free reserves will enable Groundwork West Midlands to:

- manage known short term commitments that the Charity is exposed to in the course of its business and to fund the usual retrospective nature of programme funding
- respond to unplanned/unforeseen downturn, covering up to 6 months of overhead and salary costs of the organisation

Any income or donations that are received and deemed to be restricted funds are accounted for separately with our Financial Statements. Any monies held longer the statutory minimum retention period after the end of the project, that was deemed restricted, will be reclassified and transferred to unrestricted reserves at the end of that period.

This transfer policy is based on the Statutory Record retention principals. Any funds still restricted beyond the statutory minimum retention period will be reclassified as Unrestricted. This is based on our own Records and Archiving Policy; we believe the funding organisations will have destroyed previous records, as have we, so they will no longer hold information to base future audit requests on, which may have resulted in requests for clawback or return of unspent funds.

The Board will keep its reserves policy under review to ensure that an appropriate balance is maintained between developing reserves to provide:

- sufficient funds to meet its forward obligations
- a reserve against unforeseen events
- adequate resources to fund new initiatives in order to promote the charitable objects

Pension arrangements

The Trust currently offers two types of pension arrangement:

1. A group pension plan through Friends Provident or AEGON (as recommended by Groundwork UK) where employees pay a minimum of 4.5% of salary to Groundwork and a minimum 12% of salary is

TRUSTEES REPORT

remitted to Friends Provident or AEGON.

2. A group pension plan through AEGON where employees pay a minimum of 4.5% of salary to Groundwork and a minimum 9% of salary is remitted to AEGON. This AEGON stakeholder scheme is also offered to employees after completion of 3 month's service where employees pay a minimum of 4.5% of salary to Groundwork and a minimum of 9% of salary is remitted to AEGON.

Principal funding sources

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

- **Private sector grants and contracts** - £1.169m (£330k in 2020/21)

This includes funds provided by businesses, charitable trusts and foundations. This includes Serco Restart Scheme funded by Department for Work & Pensions. It also includes sales income from Sustainable Business Services.

- **Public sector grants and contracts** - £1.498m (£1.2m in 2020/21)

This includes funding secured to deliver programmes and services on behalf of government departments, public bodies and lottery distributors. Major funders during 2021/22 included the National Lottery Community Fund, the European Social Fund and The Land Trust.

Expenditure on charitable objectives

In line with the objectives set in our Groundwork 2021 strategy, our expenditure in the year was directed towards the following activities.

- **Community projects** - £1.4m (2020/21: £1.065m)

Creating opportunities and delivering projects to improve people's lives and neighbourhoods

- **Employment projects** - £1.1m (2020/21: £576k)

Removing barriers to employment to help people get back into work

- **Running Groundwork West Midlands** – £34.8k (2020/21: £75.9k)

Ensuring Groundwork West Midlands is efficient, effective and flexible and generates maximum revenue from its assets and investments to support its charitable objects.

Principal risks and uncertainties

Groundwork West Midlands holds a high level risk register that Trustees review quarterly. Risks are categorised as Strategic, Governance, Regulatory, Financial, Operational and a score is attributed to the potential impact of named risks, multiplied by the score attributed to the likelihood of the event occurring. Mitigating actions are identified and a status report provided so that Trustees can take assurance that routine or exceptional issues are identified in good time and how they will be addressed.

A key risk was our inability to see through the three-year financial strategy, some of which was dependent on achieving business growth in a very uncertain financial economic landscape. Significant progress was made, and all of our key critical success factors were achieved ahead of schedule such as capitalising property, reducing overheads, recruitment of the permanent chief executive and investment in development activities.

TRUSTEES REPORT

Powers of investment

The Trustees are authorised by the Memorandum of Association to invest monies not immediately required for the charity's own purposes in such investments, securities or property as they deem fit subject to any conditions required by law.

This subject is discussed at Board level. The current thinking is that, where possible, monies should be held in easily accessible cash accounts primarily in order to facilitate the rapid set up of beneficial projects. Investments are made in line with our Investment Policy, reviewed annually at a Board Meeting with our Wealth Management Company.

We have secured the use of a Lombard Loan Facility to the value of £1 million against our Investment Portfolio which enables us to draw on cash to fund project expenditure. This will support our cash flow in the short term to deliver the nature of contracts like Payment by Results and those implementing defrayal.

Post balance sheet event

At 30 September 2022 our market securities portfolio had fallen in value by £159,957 (13%) to £1,073,780 following the current political events. Our investment managers believe there will be a short-term period of high volatility but the medium to long term strategy is unchanged.

Statement of Trustees responsibilities

The Trustees (who are also directors of Groundwork West Midlands for the purposes of company law) are responsible for preparing the Trustees' report (including the Group Strategic report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 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 accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

TRUSTEES REPORT

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware; and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

This report was approved by the Trustees, on and signed on their behalf by:



A Simpson, Chair

INDEPENDENT AUDITORS REPORT

Opinion

We have audited the financial statements of Groundwork West Midlands (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, Balance Sheet and Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2022 and of the Group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Group 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 group's or of the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

INDEPENDENT AUDITORS REPORT

appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' 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 directors' 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 light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept; 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8 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 group's and of 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's or the parent charitable company's or to cease operations, or have no realistic alternative but to do so.

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.

INDEPENDENT AUDITORS REPORT

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the group's and of the parent charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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 might be fundamental to the group's and of the parent charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the group's and of the parent charitable company's for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Employment legislation and Taxation legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing 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, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, 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 non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

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

INDEPENDENT AUDITORS REPORT

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.



Helen Drew,
Senior Statutory Auditor

For and on behalf of
Crowe U.K. LLP,
Statutory Auditor
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG
Date: 27 October 2022

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022**

		Unrestricted Funds 2022	Restricted Funds 2022	Total Funds 2022	Total Funds 2021
	Note	£	£	£	£
INCOME FROM:					
Donations and legacies	3	8,547	-	8,547	6,650
Charitable activities	4	1,260,672	1,407,054	2,667,726	1,428,888
Other Trading activities	5	1,374	-	1,374	75,585
Investments	6	24,556	-	24,556	32,857
TOTAL INCOME		1,295,149	1,407,054	2,702,203	1,543,980
EXPENDITURE ON:					
Raising funds	7	2,281	-	2,281	32,599
Charitable activities	8	1,277,913	1,386,656	2,664,569	1,757,590
TOTAL EXPENDITURE		1,280,194	1,386,656	2,666,850	1,790,189
NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS		14,955	20,398	35,353	(246,209)
Net (losses)/gains on investments		28,001	-	28,001	202,229
NET EXPENDITURE BEFORE TRANSFERS		42,956	20,398	63,354	(43,980)
Transfer between Funds	16	40,860	(40,860)	-	-
NET INCOME / (EXPENDITURE)		83,816	(20,462)	63,354	(43,980)
RECONCILIATION OF FUNDS:					
Total funds brought forward		1,106,252	91,585	1,197,837	1,241,817
TOTAL FUNDS CARRIED FORWARD		1,190,068	71,123	1,261,191	1,197,837

The notes on pages 25 to 43 form part of these financial statements

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

		2022		2021	
	Note	£	£	£	£
FIXED ASSETS					
Tangible assets	12		29,916		15,866
Investments	13		<u>1,233,737</u>		<u>1,206,736</u>
			1,263,653		1,222,602
CURRENT ASSETS:					
Debtors	14	507,194		230,731	
Cash at bank and in hand		<u>390,752</u>		<u>136,900</u>	
		897,946		367,631	
CREDITORS: amounts falling due within one year	15	<u>(900,408)</u>		<u>(392,396)</u>	
NET CURRENT LIABILITIES			<u>(2,462)</u>		<u>(24,765)</u>
NET ASSETS			<u>1,261,191</u>		<u>1,197,837</u>
CHARITY FUNDS					
Restricted funds	16		71,123		91,585
Unrestricted funds	16		<u>1,190,068</u>		<u>1,106,252</u>
TOTAL FUNDS			<u>1,261,191</u>		<u>1,197,837</u>

The Trustees acknowledge their responsibilities for complying with the requirement of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on 27th October 2022 and signed on their behalf, by:



A Simpson, Chair

The notes on pages 25 to 43 form part of these financial statements.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

CHARITY BALANCE SHEET
AS AT 31 MARCH 2022

		2022		2021	
	Note	£	£	£	£
FIXED ASSETS					
Tangible assets	12		29,916		15,866
Investments	13		<u>1,233,738</u>		<u>1,206,737</u>
			1,263,654		1,222,603
CURRENT ASSETS:					
Debtors	14	507,194		230,731	
Cash at bank and in hand		<u>390,752</u>		<u>110,985</u>	
		897,946		341,716	
CREDITORS: amounts falling due within one year	15	<u>(900,407)</u>		<u>(391,888)</u>	
NET CURRENT LIABILITIES			<u>(2,461)</u>		<u>(50,172)</u>
NET ASSETS			<u>1,261,193</u>		<u>1,172,431</u>
CHARITY FUNDS					
Restricted funds	16		71,123		91,585
Unrestricted funds	16		<u>1,190,070</u>		<u>1,080,846</u>
TOTAL FUNDS			<u>1,261,193</u>		<u>1,172,431</u>

The surplus for the year dealt with in the accounts of the Charity was £88,762 (2021 – (£43,553)).

The Trustees acknowledge their responsibilities for complying with the requirement of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on 27th October 2022 and signed on their behalf, by:



A Simpson, Chair

The notes on pages 25 to 43 form part of these financial statements

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

	Note	2022	2021
		£	£
Cash flows from operating activities			
Net cash used in operating activities	18	(255,606)	<i>(172,662)</i>
Cash flows from investing activities:			
Dividends, interest and rents from investments		24,556	<i>32,857</i>
Proceeds from the sale of tangible fixed assets		-	<i>5,718</i>
Purchase of tangible fixed assets		(27,310)	-
Proceeds from sale of investments		135,000	<i>135,000</i>
Purchase of investments		(134,000)	<i>(135,000)</i>
Net cash provided by investing activities		(1,754)	<i>38,575</i>
Change in cash and cash equivalents in the year		253,852	<i>(134,087)</i>
Cash and cash equivalents brought forward		136,900	<i>270,987</i>
Cash and cash equivalents carried forward		390,752	<i>136,900</i>

The notes on pages 25 to 43 form part of these financial statements.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

1. COMPANY INFORMATION

Groundwork West Midlands (the charity) is a Company Limited by Guarantee, registered in England. The registered office is First Floor Owen House, 17 Unity Walk, Tipton, DY4 8QL.

Groundwork West Midlands help to strengthen communities by delivering health, wellbeing, youth, employment and green projects across the West Midlands.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Groundwork West Midlands 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.

The Consolidated Statement of financial activities (SOFA) and Consolidated Balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Group has taken advantage of the exemption allowed under Section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Going concern

The Trustees consider they have sufficient reserves and cash to continue operating on a going concern basis for the foreseeable future.

As stated in the Trustee's Report, Trustees believe there are no material uncertainties that call into doubt the Charities ability to continue as a going concern and the accounts have therefore been prepared on the basis that the Charity is a going concern. In light of the current climate in relation to the COVID-19 pandemic the Trustees have reviewed the Charities finances. In the short term cash holdings are sufficient to ensure adequate cash flow for the foreseeable future. In the medium to long term plans for, and the structure of, Groundwork West Midlands remain extant and will continue to be reviewed regularly.

2.3 Company status

The Charity is a company limited by guarantee. The members of the company are the Trustees named on page 43. 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.

2.4 Funds

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2.5 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.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity.

Governance costs are those incurred in connection with management of the charity's assets, organisational administration and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

All costs are allocated between expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of resources. Costs relating to a particular activity are allocated directly. Remaining shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	- 20% straight line
Furniture, fixtures and vehicles	- 20% straight line
Computer equipment	- 25% straight line
Motor vehicles	- 25% straight line

2.8 Investments

Fixed asset investments are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/ (losses) on investments' in the Statement of financial activities.

Subsidiary undertakings:

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 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 at the balance sheet date.

Debtors

Trade and other debtors are recognised at the settlement amount.

Creditors

Short term creditors are measured at the transaction price.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

2.10 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.11 Significant judgements and estimates

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

Significant judgements

There are no significant judgements having a material effect on the financial statements.

Significant estimates

There are no significant estimates having a material effect on the financial statements.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted Funds 2022 £	Restricted funds 2022 £	Total Funds 2022 £	<i>Total Funds 2021 £</i>
Donations	8,547	-	8,547	<i>6,650</i>
	8,547	-	8,547	<i>6,650</i>
Total 2021	6,650	-	6,650	

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2022 £	Restricted funds 2022 £	Total Funds 2022 £	<i>Total Funds 2021 £</i>
Community Projects	471,495	937,917	1,409,412	<i>914,247</i>
Employment Projects	727,510	469,137	1,196,647	<i>465,164</i>
Business Projects SBS	61,667	-	61,667	<i>39,477</i>
IT Funding		-	-	<i>10,000</i>
	1,260,672	1,407,054	2,667,726	<i>1,428,888</i>
Total 2021	390,796	1,038,092	1,428,888	

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

Income from projects provided by:

	Unrestricted Funds 2022 £	Restricted funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Central Government	-	40,107	40,107	-
Local Authorities	8,371	163,635	172,006	153,469
Public Agencies	342,095	-	342,095	196,848
European Union	-	108,480	108,480	34,998
National Lottery	-	835,065	835,065	713,059
Private Sector	910,206	259,767	1,169,973	330,514
	1,260,672	1,407,054	2,667,726	1,428,888

LOTTERY FUNDING

	2022 £	2021 £
BIG Lottery		
IT Project	-	10,000
Every Step of the Way	36,836	36,289
Cook Together Eat Together	73,075	74,196
Communities Prepared Sparkhill	910	847
Fancy a Brew	12,776	18,065
Green Recovery Fund	120,373	1,378
Youth Accelerator Fund	7,200	-
Building Better Opportunities	564,383	545,282
	815,553	686,057
Heritage Lottery		
Future Proof Parks	19,512	27,002
Total	835,065	713,059

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

5. OTHER TRADING ACTIVITIES

	Unrestricted Funds 2022 £	Restricted funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Other Income	916	-	916	4,316
Furlough Income	458	-	458	71,269
	1,374	-	1,374	75,585
Total 2021	75,585	-	75,585	

6. INVESTMENT INCOME

	Unrestricted Funds 2022 £	Restricted funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Dividend Income	24,556	-	24,556	32,857
	24,556	-	24,556	32,857
Total 2021	32,857	-	32,857	

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

7. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff Costs 2022 £	Depreciation £	Other Costs £	Total 2022 £	Total 2021 £
Expenditure on raising funds	-	-	2,281	2,281	32,599
Costs of raising funds	-	-	2,281	2,281	32,599
Community Projects	749,224		694,240	1,443,464	1,061,812
Employment Projects	884,757		239,946	1,124,703	573,945
Business Projects SBS	19,889		41,659	61,548	45,866
Running Groundwork WM	4,676	13,260	16,918	34,854	75,967
Charitable Activities	1,658,546	13,260	992,763	2,664,569	1,757,590
	1,658,546	13,260	995,044	2,666,850	1,790,189
Total 2021	1,237,325	16,669	536,195	1,790,189	

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2022 £	Support Costs 2022 £	Total 2022 £	Total 2021 £
Community Projects	1,195,886	247,578	1,443,464	1,061,812
Employment Projects	913,214	211,489	1,124,703	573,945
Business Projects SBS	53,803	7,745	61,548	45,866
Running Groundwork WM	-	34,854	34,854	75,967
	2,162,903	501,666	2,664,569	1,757,590
Total 2021	1,191,148	566,442	1,757,590	

Summary by Fund Type:

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total 2021 £
Community Projects	527,443	916,021	1,443,464	1,061,812
Employment Projects	654,068	470,635	1,124,703	573,945
Business Projects SBS	61,548	-	61,548	45,866
Running Groundwork WM	34,854	-	34,854	75,967
	1,277,913	1,386,656	2,664,569	1,757,590
Total 2021	731,990	1,025,600	1,757,590	

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

9. SUPPORT COSTS

	2022	<i>2021</i>
	£	<i>£</i>
General Office	58,525	<i>172,772</i>
IT, Office equipment and maintenance	245,710	<i>207,504</i>
Human Resources	22,456	<i>14,279</i>
Finance and Legal	84,154	<i>115,564</i>
Governance	73,902	<i>33,969</i>
Investment Management Fees	16,919	<i>12,354</i>
	501,666	<i>556,442</i>

10. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2022	<i>2021</i>
	£	<i>£</i>
Depreciation of tangible fixed assets:	13,260	<i>16,669</i>
Auditors Remuneration	13,325	<i>12,600</i>
Operating Leases	109,893	<i>85,030</i>

During the year, no Trustees received any remuneration or other Benefits (2021 - £NIL).

During the year, Trustees received reimbursement of expenses totalling £NIL (2021 - £80) for travel and accommodation.

In accordance with normal commercial practice the charity have purchased Trustee indemnity insurance. The insurance provider covers up to £5 million on any one claim and the cost of the policy for the year is £18,170.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

11. STAFF COSTS

Staff costs were as follows:

	2022	<i>2021</i>
	£	<i>£</i>
Wages and Salaries	1,478,246	<i>1,089,486</i>
Social Security costs	119,078	<i>87,549</i>
Pension Costs	61,222	<i>60,290</i>
	1,658,546	<i>1,237,325</i>

The average number of persons employed by the Charity during the year was as follows:

	2022	<i>2021</i>
	No	<i>No.</i>
Direct Charitable	64	<i>56</i>
Fundraising and Publicity	2	<i>2</i>
Administration	2	<i>2</i>
	68	<i>60</i>

The number of higher paid employees was:

	2022	<i>2021</i>
	No	<i>No.</i>
In the band £70,001-£80,000	-	<i>1</i>
In the band £80,001-£90,000	1	<i>-</i>
	1	<i>1</i>

Total contributions under defined contribution schemes on behalf of this higher paid employee were £5,250 (2021: £5,683).

At the year-end retirement benefits accruing to 1 (2021: 1) higher paid employee under defined contribution schemes.

Key management personnel received total remuneration of £279,205 (2021: £312,479).

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

12. TANGIBLE FIXED ASSETS

		Furniture, Fixtures, Equipment & vehicles £	Total £
Group and Charity			
Cost			
At 1 April 2021		673,003	673,003
Additions		27,310	27,310
Disposals		-	-
At 31 March 2022		<u>700,313</u>	<u>700,313</u>
Depreciation			
At 1 April 2021		657,137	657,137
Charge for the year		13,260	13,260
On disposals		-	-
At 31 March 2022		670,397	670,397
Net book value			
At 31 March 2022		29,916	29,916
At 31 March 2021	-	15,866	15,866

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

13. FIXED ASSET INVESTMENTS

Charity	Listed Securities
	£
Market Value	
At 1 April 2021	1,206,736
Additions	134,000
Disposals	(135,000)
Revaluations	28,001
At 31 March 2022	1,233,737
At 31 March 2021	1,206,736

Group investments at market value comprise:

	UK	Overseas	2022	2021
	£	£	£	£
Listed Investments	433,352	800,385	1,233,737	1,206,736

Group material investments

The following investments represent more than 5% of the portfolio:

	2022	2021
	£	£
UBS ETF SICAV BLB BARCLAYS MSCI UK	75,799	81,215
UBS ETF SICAV MSCI Pacific SOC RES	66,499	66,952
UBS AG Jersey BRCH AUTI REDM NTS 9.7.20 GBP	-	-
UBS ETF PLC MSCI UK SOC RES UCITS ETF	144,415	144,036
UBS ETF SICAV MSCI USA Socially Resp UCIT	387,445	329,265
UBS ETF SICAV MSCI EMU SOC RESP CL A GBP	158,649	159,893
ISHARES II PLC Core UK Gilts UCITS	46,688	49,598
ISHARES II PLC GBP Index-Inkd Gilts UCITS	73,703	70,458
BLACKROCK FXD INC ISHARES GREEN BD IDX	92,747	99,769
UBS ETF SICAV MSCI EMRGNG MRKTS SOC RES	64,726	67,499
GS 5Y HNX CALL SPX UKX	123,066	-
BNP ISSUE CALL PHOENIX	-	138,051
	1,233,737	1,206,736

Shares in Group

	Listed Securities	Undertakings	Total
	£	£	£
At 1 April 2021	1,206,736	1	1,206,737
Additions	134,000	-	134,000
Disposals	(135,000)	-	(135,000)
Revaluations	28,001	-	28,001
At 31 March 2022	1,233,737	1	1,233,738

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

Charity Investments at cost comprise:

	UK £	Overseas £	2022 £	2021 £
Listed Investments	433,352	800,385	1,233,737	1,206,736
Group	1	-	1	1
Total	433,353	800,385	1,233,738	1,206,737

14. DEBTORS

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Trade debtors	365,038	94,576	365,038	94,576
Amounts owed by group undertakings	-	-	-	-
Other debtors	-	-	-	-
Prepayments and accrued income	142,156	136,155	142,156	136,155
Total	507,194	230,731	507,194	230,731

15. CREDITORS: Amounts falling due within one year

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Overdraft facility	210,696	36,026	210,696	36,026
Trade creditors	187,873	39,839	187,873	39,831
Amounts owed to group undertakings	-	-	1	-
Other taxation and social security	74,991	44,567	74,991	44,667
Other creditors	163	-	163	-
Accruals and deferred income	426,685	271,964	426,683	271,364
Total	900,408	392,396	900,407	391,888

The overdraft facility is repayable on demand and is secured against investments held with UBS.

Deferred income

Charity

Movements in deferred income during the year were as follows:

	Balance at 1 April 2021 £	Amount released to incoming resources £	Amount deferred in the year £	Balance at 31 March 2022 £
Community Projects	153,313	(153,313)	252,853	252,853
Employment Projects	40,650	(40,650)	98,875	98,875
Business Projects	7,338	(7,338)	7,150	7,150
Central Funding	664	(664)	-	-
Total	201,965	(201,965)	358,878	358,878

Deferred Income comprises commission income received in advance.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

16. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Balance at 31 March 2022 £
Unrestricted funds						
General Funds	1,106,252	1,295,149	(1,280,194)	40,860	28,001	1,190,068
Restricted Funds						
Community	91,585	937,917	(916,021)	(42,358)	-	71,123
BBO Employment	-	469,137	(470,635)	1,498	-	-
	91,585	1,407,054	(1,386,656)	(40,860)	-	71,123
Total of Funds	1,197,837	2,702,203	(2,666,850)	-	28,001	1,261,191

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Balance at 31 March 2022 £
General Funds	1,106,252	1,295,149	(1,280,194)	40,860	28,001	1,190,068
Restricted Funds	91,585	1,407,054	(1,386,656)	(40,860)	-	71,123
Total of Funds	1,197,837	2,702,203	(2,666,850)	-	28,001	1,261,191

The unrestricted funds of the charity are those that are not designated for a particular purpose.

The restricted funds of the charity are those that are received for a particular purpose and these encompass the following activities:

Community and general - building stronger neighbourhoods through the provision of community consultations and training and support for community and resident groups.

Employment – working with unemployed individuals, supporting them into employment, education or training.

The transfers during the year represent amounts to either top up restricted projects using unrestricted funds available, and/or transfer any remaining completed project surplus to unrestricted funds in line with the agreement.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Balance at 31 March 2021 £
Unrestricted funds						
General Funds	1,150,232	505,888	(764,589)	12,492	202,229	1,106,252
Restricted Funds						
General	-	10,000	(10,000)	-	-	-
Community	91,585	562,928	(550,928)	(12,000)	-	91,585
BBO Employment	-	465,164	(464,672)	(492)	-	-
	91,585	1,038,092	(1,025,600)	(12,492)	-	91,585
Total of Funds	1,241,817	1,543,980	(1,790,189)	-	202,229	1,197,837

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Balance at 31 March 2021 £
General Funds	1,150,232	505,888	(764,589)	12,492	202,229	1,106,252
	91,585	1,038,092	(1,025,600)	(12,492)	-	91,585
Total of Funds	1,241,817	1,543,980	(1,790,189)	-	202,229	1,197,837

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted Funds 2022 £	Restricted funds 2022 £	Total Funds 2022 £
Tangible fixed assets	29,916	-	29,916
Fixed Asset investments	1,233,737	-	1,233,737
Current assets	826,823	71,123	897,946
Creditors due within one year	(900,408)	-	(900,408)
	1,190,068	71,123	1,261,191

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted Funds 2021 £	Restricted funds 2021 £	Total Funds 2021 £
Tangible fixed assets	15,866	-	15,866
Fixed Asset investments	1,206,736	-	1,206,736
Current assets	276,046	91,585	367,631
Creditors due within one year	(392,396)	-	(392,396)
	1,106,252	91,585	1,197,837

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

	Group 2022 £	2021 £
Net expenditure for the year (as per Statement of Financial Activities)	63,354	(43,980)
Adjustment for:		
Depreciation and amortization charges	13,260	16,669
(Gains)/losses on investments	(28,001)	(202,229)
Dividends, interest and rents from investments	(24,556)	(32,857)
(Increase)/decrease in debtors	(276,463)	66,695
Increase/(decrease) in creditors	508,012	23,040
	255,606	(172,662)

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group	
	2022	2021
	£	£
Cash in hand	390,752	136,900
Total	390,752	136,900

20. ANALYSIS OF NET DEBT

	At 1 April 2021	Cash Flows	At 31 March 2022
	£	£	£
Cash at bank and in hand	136,900	253,852	390,752
Debt due within 1 year	(36,026)	(174,670)	(210,696)
	100,874	79,182	180,056

21. PENSION COMMITMENTS

The Trust currently offers two types of pension arrangement:

1. A group pension plan through Friends Provident or AEGON (as recommended by Groundwork UK) where employees pay a minimum of 4.5% of salary to Groundwork and a minimum 12% of salary is remitted to Friends Provident or AEGON.

2. A group pension plan through AEGON where employees pay a minimum of 4.5% of salary to Groundwork and a minimum 9% of salary is remitted to AEGON. This AEGON stakeholder scheme is also offered to employees after completion of 3 months' service where employees pay a minimum of 4.5% of salary to Groundwork and a minimum of 9% of salary is remitted to AEGON.

Contributions totalling £11,114 (2021: £8,464) were payable at the year end and are included in creditors.

22. OPERATING LEASE COMMITMENTS

At 31 March 2022 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group	
Group and Charity	2022	2021
	£	£
Amounts payable:		
Not later than 1 year	25,407	25,430
Later than 1 year and not later than 5 years	86,420	54,075
Total	111,827	79,505

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

23. RELATED PARTY TRANSACTIONS

There have been no other related party transactions that require disclosure other than transactions with the subsidiary company, Groundwork West Midlands Enterprise Limited, as set out below:

Group and Charity	2022 £	2021 £
Sundry	28	427
Total	<u>28</u>	<u>427</u>

The balance outstanding at the year-end owed from Groundwork West Midlands Enterprise Limited at the year-end was £Nil (2021: £Nil).

24. PRINCIPAL SUBSIDIARIES

Groundwork West Midlands Enterprises Ltd

Subsidiary name	Groundwork West Midlands Enterprises Ltd
Company registration number	07110713
Basis of control	100%
Total assets as at 31 March 2022	£ 1
Total liabilities as at 31 March 2022	£ 0
Total equity as at 31 March 2022	£ 0
Turnover for the year ended 31 March 2022	£ 0
Expenditure for the year ended 31 March 2022	£ 28
Loss for the year ended 31 March 2022	(£ 28)

25. FINANCIAL INSTRUMENTS

	<u>Group</u>		<u>Charity</u>	
	2022 £	2021 £	2022 £	2021 £
Financial assets				
Financial assets measured at fair value through income and expenditure	459,679	1,206,736	390,752	1,206,737
Financial liabilities				
Financial liabilities measured at amortised cost	(609,411)	(145,869)	(609,411)	(145,262)

Financial assets measured at fair value through income and expenditure comprises investments in listed securities.

Financial assets measured at amortised cost comprise trade debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors and accruals.

ADVISORS

Auditors

Crowe U.K. LLP
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Bankers

The Co-operative Bank
PO Box 250
Skelmersdale
WN8 8WT

Investment Managers

UBS AG Wealth Management
10 Colmore Row
Birmingham
B3 2QD

Solicitors

George Green LLP
19 Waterloo Road
Wolverhampton
West Midlands
WV1 4DY

Knights Plc
The Brampton
Newcastle-under-Lyme
Staffordshire
ST5 0QW

Clowes & Co
112 Baddeley Green Lane
Baddeley Green
Stoke-on-Trent
Staffordshire
ST2 7HA

The Board of Trustees

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

Appointed trustees

A Simpson, Chair

J Patel

I Priest

R Tappia

B Bickerton

G Hooper

J Wilkins Resigned 28th October 2021

Company Secretary

Deborah Williams

Committees of the Board

Finance and Audit Committee Chair – Jay Patel

Chief Executive

Andrew Thompson



Contact us

Groundwork West Midlands
First Floor Owen House,
17 Unity Walk, Tipton, DY4 8QL

www.groundwork.org.uk/hubs/westmidlands

Tel: 0121 530 5500

E-mail: westmids@groundwork.org.uk

Twitter: @GWWM

Facebook: /groundworkwestmids

Instagram: @GroundworkWestMids

LinkedIn: Groundwork West Midlands

Charity Registration Number: 1128858

Company Registration Number: 06823225

Accounts



Groundwork West Midlands

Annual Report and Financial Statements 2020/21

Charity registration number
1128858

Company registration number
06823225

Registered office
Lockside

5 Scotland Street Birmingham B1 2RR

Contents

Page

1	About Groundwork West Midlands
2	Message from the Chair
4	Governance
7	Objects and public benefit
7	Strategic report
14	The Future
16	Financial performance
17	Principal risks and uncertainties
18	Statement of trustees' responsibilities
19	Independent auditor's report
24	Statement of financial activities
25	Consolidated balance sheet
26	Charity balance sheet
27	Cash flow statement
28	Notes forming part of the financial statements
46	Advisors
47	The Board of Trustees

TRUSTEES REPORT

About Groundwork West Midlands

Groundwork West Midlands (GWWM) is an incorporated charity working to transform lives in the UK's most disadvantaged communities. We are passionate about creating a future where every neighbourhood is thriving, every community is strong and able to shape its own destiny and no-one is held back by their background or circumstances.

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

We are part of a federation of independent charities in England, Wales and Northern Ireland called Groundwork Trusts, supported by a national office called Groundwork UK.

Our teams are based in offices across the West Midlands delivering services where they are needed the most.

TRUSTEES REPORT

Message from the Chair

In 2019 the world as we knew it changed beyond recognition, initially we had high hopes of a return to normality in 2020 but sadly the effects of the Covid pandemic continued to impact all of us. These times have required not only a seismic shift in the way that we work and do business but challenged all of us on an individual level – to meet each other less, to catch up in different ways, to literally see less of each other as we carry on more safely at distance or behind face coverings. These changes have impacted not only the physical health but also the mental health of far more people than any other single event in recent history. This has consequently increased demand for support on a community and individual basis exponentially. Projects such as Cook and Eat have helped many people not only make healthy food choices but also provided a community lifeline of connectedness.

Our charity prides itself at working tirelessly to improve the lives, opportunities and environment for the communities that we serve. This need has never been greater. The breadth, depth, and range of projects that Groundwork West Midlands delivers never ceases to amaze and inspire me – volunteers and staff touching lives in positive ways that are life changing for the communities benefitting. From play schemes for young people which stir passion for the environment and create future climate change champions, to practical skills training getting people back into work, the work is understated at times but simply quietly impactful to everyone.

One of the few benefits of the challenges of the pandemic has been the accelerated move to more flexible working practices. Of course, there are projects that just need to be delivered face to face, and the nature of the work that we do means that those critical interactions remain to be delivered in that way. However, we have moved to a flexible working arrangement which has been welcomed by our teams and has allowed reductions to the asset base with support and administration functions being delivered far more flexibly now.

We continue to look for efficiencies, for operational cost savings and for the environment, where contracts are at a point of re-tender, with quality firmly in mind, we look for opportunities to make savings, whether that be systems efficiencies that require less process or joint working between Trusts to drive economies of scale. Working with our partner Trusts across the Greater Midlands, we are looking at shared back-office services, specialisms in one trust being shared by another – ways of delivering better services to our communities with greater efficiencies of finances and resources.

One of the major achievements of the teams in 2020/21 was to secure a major £5 million contract from Serco which allows us to deliver skills, coaching and employment support to clients referred from Job Centre Plus. This project – Project Restart, is a major employment support scheme which not only expands the services delivered by skilled teams in Groundwork WM but it has also created a further 15 full time staff vacancies for the five year duration of the contract.

Alongside the Covid pandemic, our other major societal challenge is climate change, as we move closer to COP26, communities, business, politicians, and individuals are all acutely aware of the need to move to net zero. With pre-existing expertise and a history of environmental projects, GWWM is ideally placed to expand services to support energy efficiency. We will expand our services into commercial areas to offer businesses advice and expertise to look at energy saving mechanisms – as a grant funded programme this project already operates in the Trust. Taking a more sustainable view to longer term funding however, the Board feel that the right direction is to move to a more commercial approach and offer these services affordably but commercially to business in addition to the community Green Doctor schemes that are delivered on behalf of Cadent. Turning to the land

TRUSTEES REPORT

management projects that we already deliver, again we are exploring how, with expanded connections into businesses locally, we can offer great carbon offset projects which help business alacrity and the environment.

Whilst 2020/21 has been a good year financially with the deficit on our balance sheet reducing hugely from 2019/20, we will be continuing the three-year savings plan instituted to stabilise the balance sheet by 2022/23. The more commercial approaches set out above will further support this plan and the delivery of the newly secured Project Restart will further consolidate our position.

None of the progress made would be remotely possible of course without the commitment, diligence, and great performance in their roles, by our Teams. Following significant organisational change in 2019/20 the teams have settled excellently into new delivery structures and have continually innovated to support continued project delivery for communities over the course of the pandemic. I would like to close with a sincere thank you from the Trustees to all of the staff and volunteers that make delivery possible.

Anne-Marie Simpson, Chair



28th October 2021

TRUSTEES REPORT

Governance

Structure

Groundwork West Midlands, the charity and the group, is a charitable company limited by guarantee, registered with the Charity Commission (number 1128858) and Companies House (number 06823225). The organisation is governed by its Memorandum and Articles of Association dated 9 June 2009; Trustees are elected or coopted in accordance with these.

Board of trustees

The Groundwork West Midlands board comprises Trustees appointed in accordance with the Charities Act 2011, who are also the directors of the company in accordance with the Companies Act 2006. We take our governance responsibilities very seriously, recognising the need to ensure as much of our resource as possible is expended on delivering our charitable mission while ensuring our organisation is strong, well-managed and financially viable in the long term.

The Trustees are responsible for ensuring sound organisational systems, processes and policies are maintained and embedded in the way Groundwork West Midlands is managed. This includes policies governing our fundraising standards, our investments and our responsibilities to our staff, volunteers and beneficiaries. We pay particular attention to issues of health and safety, data protection and information security and we maintain comprehensive business continuity arrangements.

We take safeguarding very seriously and have a nominated, trained champion on our board. Our Trustees ensure we have access to the expertise needed to run our organisation efficiently, effectively and safely; new Trustees are provided with an induction to the organisation, with a focus on roles and responsibilities.

The Groundwork West Midlands board's work is supported by our Finance and Audit Committee, a sub-committee which oversees the audit process and reviews our Annual Report and Financial Statements independently of the main board.

During the year, we took the opportunity to strengthen the Board and following a skills analysis of existing Board members, we undertook a recruitment exercise, resulting in the recruitment of 4 new Trustees.

The new Board members bring new skills to the board, including marketing, communications, HR and commissioning expertise.

Management Team

In early 2020, we undertook a review of the SMT and installed new members with strong experience of managing and delivering our projects and services. The SMT is now fully representative of all functions of the organisation, and reporting lines are much clearer.

The SMT priority areas for the year were;

- Business Planning
- Organisational Culture (addressing issues identified by staff)
- Relationship with peer organisations and partners
- Strategic Direction (Informed by PwC sessions and the Board Away Day)
- Sub-group Structure

TRUSTEES REPORT

- Vision / Mission / Values review

The Senior Management Team includes staff members responsible for financial and business management, business development and programme management. The SMT is fully accountable to the Board and the Finance and Audit Committee and operates through delegated powers outlined in our financial regulations.

The team provides regular reports to the board on financial and operational performance and risk management. SMT meets monthly to discuss strategy and operations, however this has been increased to weekly meeting during the Covid-19 crisis, to aid and inform our response to changing delivery methods and subsequent returns to the office throughout the pandemic.

Relationships within Groundwork

Groundwork West Midlands is one Trust within the Groundwork federation of independent charities. Each Groundwork Trust works under a common brand to a common strategy. This strategy sets the direction, milestones and targets which influence operational decision-making across all parts of Groundwork and against which the senior executives hold each other to account.

Within this strategic framework Groundwork Trusts make their own decisions about the project work they develop and deliver. The federation strategy supports this local decision-making by focusing on those areas of development and delivery where there is a need or an opportunity for Groundwork to act collectively in order to achieve maximum benefit for the communities it serves. Individual Trusts benefit from sharing intelligence and the potential to replicate business models that are being delivered in other parts of the federation.

The national office, Groundwork UK, delivers services and activities to support Groundwork Trusts by building brand and profile, generating income for local delivery and supporting quality and impact. Groundwork UK is held to account for its performance by its members. Each Groundwork Trust signs a membership agreement which sets down the obligations of Trusts to Groundwork UK and to each other and the services and standards Groundwork UK will deliver on behalf of the federation.

The value and benefit of being a member of the Federation has been underlined during the ongoing Covid-19 crisis, as the Federation has come together to share best practice and agree common crisis response, areas for joint development and future positioning. The crisis response has also encouraged neighbouring trusts to develop closer working relationships and explore collaborative opportunities.

During the year, GWWM has been working with other trusts across the central region, to develop a 'Midlands Hub' of trusts. We have discussed common areas for potential collaboration / partnership working including;

- Project management systems
- IT
- Business development opportunities
- Shared FD role
- Shared HR support

A key area of discussion has been around shared business development opportunities based around areas of common interest and activity, and as a group of trusts we have agreed to adopt a joint approach to;

TRUSTEES REPORT

- Marketing and communications
- Green Doctor
- Landscape Design
- Community Health & Wellbeing

This work will be ongoing throughout the next year leading to closer working relationships across the central region.

Related party relationships

The charity operates one trading subsidiary, Groundwork West Midlands Enterprises Limited. All of the issued share capital of this company is held by the charity. This company was formed to operate contracts falling outside the scope Groundwork West Midlands core areas. For 2019–20 no significant transactions were undertaken in Groundwork West Midlands Enterprise Limited that were profit/loss affecting other than unavoidable transactions such as Bank Charges.

Our commitments

We will be environmentally aware and focused on communities in need. Our decisions, actions and operations will be guided by our sustainable development policy, which sets out how we aim to contribute to creating a strong and just society living within environmental limits. Everything we do is underpinned by our values, which inform the way we work and behave. These are:

- Positive
 - We seek positive change through all our work.
- Professional
 - We treat all clients, customers and people that we work with, with courtesy, respect and professionalism.
- Partnership
 - We convene and collaborate both internally and externally, to provide creative, efficient and affordable solutions.

Safeguarding

As a charity dedicated to supporting vulnerable people we make sure our operations are delivered safely and to the highest ethical standards. Groundwork UK have recently undertaken a federation-wide review of Trusts' arrangements for safeguarding and whistleblowing. This work ensures Groundwork Trusts can identify and embed best practice in terms of local management, governance oversight and transparent reporting. Groundwork West Midlands continues to exceed the minimum recommended requirements.

Fundraising activities

The charity had no fundraising activities that require disclosure under S162A of the Charities Act 2011.

TRUSTEES REPORT

Objects and public benefit

Groundwork West Midlands charitable objects are set down in its Memorandum of Association dated 9 June 2009. They commit us to delivering and promoting regeneration and sustainable development.

The 13 objects cover environmental conservation, social welfare, public education, urban and rural regeneration for public benefit, training and employment opportunities, housing, public amenities, historic buildings, recreational facilities, derelict land reclamation, public health, public safety and other means as may be determined by the Charity Commissioners.

Groundwork West Midlands exists primarily to provide public benefit. Specific benefits delivered in 2020 - 2021 are detailed in the Strategic Report section and provide evidence that the criteria for public benefit have been met. Groundwork West Midlands Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the organisation's objectives and planning future activities.

Our work is designed to address the needs of all sections of the community and we provide equal access to our services regardless of race, gender, disability or sexual orientation. For further details about our work visit www.groundwork.org.uk/hubs/westmidlands/

Strategic report for the year ended 31 March 2021

Strategic Overview

Groundwork West Midlands is the community charity with a green heart. Our mission is for thriving, sustainable communities and our vision is of vibrant West Midlands communities where people and enterprise prosper.

We have been working for over 20 years to create stronger communities with better local environments, to tackle climate change and combat fuel poverty, to improve skills and get people back into work and inspire the next generation of community champions and green leaders.

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

Context & Impact of Covid – '20/21'.

This has been a very challenging year for all, and the immediate priority for GWWM and most parts of the federation has been to manage the Covid-19 crisis, whilst ensuring business continuity as much as possible, and to plan for, and assess the longer-term impact that the pandemic will have on our future.

TRUSTEES REPORT

Inevitably, far too much of our time has been spent on fire-fighting, and not enough on strategic planning. However, we have, in recent months been able to consider how best to reconfigure GWWM's offer and income generation activities to ensure delivery and impact in a post-corona world.

We are pleased to report that GWWM has been able to continue to deliver throughout the Covid-19 crisis, win new contracts and funding for future work, and has commenced a range of development and business planning activities to ensure that we are fit for the future and prepared to take advantage of a range of opportunities for growth.

At the start of this financial year, we were faced with what could very easily have been an existential crisis, but thanks to the hard work and dedication of our staff and trustees, we finished the year well ahead of our challenging deficit budget. This was due to a combination of;

- Increased efficiencies
- Savings achieved through new working practices / home working
- Successfully securing new income
- Use of the Job Retention Scheme

Out of 15 Healthy Lifestyles projects 12 projects continued to run throughout the prolonged period of lockdowns. We have seen some fantastic innovative delivery methods such as:

- Virtual group cooking clubs; ingredients and recipes delivered to participant's doorsteps and the group live-cook together, allowing participants to still socialise and receive support from our staff
- Online videos, step by step guides and Facebook live sessions
- Delivery of activity packs and home growing kits
- Adapted social distanced activities where possible

Whilst it has been hard to build on and develop some partnerships or aspects of projects because of restrictions, we have seen new opportunities present themselves or seen Groundwork move to a leading role in partnerships. For example, we were able to play a key role in the Feeding Coventry Network, devising cheap and healthy recipes and cooking instruction videos, to be distributed at food banks and social supermarkets, using goods that they had plentiful donations of. Opportunities such as this have enhanced our good reputation and opened new doors that we can continue to develop.

We have also received some fantastic recognition for our work across the region;

- Coventry 2020 Health and Well Being Awards – **Winner** - Director of Public Health Award for Outstanding Contribution
- Silverdale Country Park – Green Flag Award
- Land Trust Awards
 - **Winner**, Most improved Space – Brickworks site.
 - **Winner**, Volunteer of the year – Brian Bennet at Silverdale
 - **Shortlisted**, Ranger of year and Nature Space of the year

TRUSTEES REPORT

The projects that did not continue were 'mothballed' for a few months, staff placed on the job retention scheme and the projects extended to ensure that we still receive all the funding allocated and have the opportunity to deliver the projects in full, benefiting the targeted groups. In all cases this has proven to be a successful strategy as they are now back fully operational and exceeding targets in many projects.

The overarching feature of the period has been the fantastic staff that we have. The team have supported each other brilliantly, adapted to new ways of working, been creative and positive throughout.

In terms of our community and environment work, we have seen a real growth in confidence, and development of skills and engagement strategies over this period of time. We were proactive in our discussions with funders and partners. With the challenges posed and the uncertainty of how long this period would last, we continued to plan and deliver projects where possible to the standards expected from Groundwork West Midlands.

Throughout this period, staff have remained flexible, creative and worked hard towards delivering commitments on projects. There have been positive and supportive discussions with funders and remote delivery plans approved meaning engagement with communities can still be delivered and in a meaningful way.

For example, on Go Play during the summer when restrictions had eased, the team delivered a programme; 'summer of play' across venues in Sandwell. Across the theme, we have also been successful in a number of funding applications, highlighting the importance of our reputation and the need for our services in the region.

There has also been significant learning since April. The whole theme has adapted to new ways of working and delivering, which means some of our projects will be stronger for it. At the heart of what we do is on-the-ground community engagement, supporting groups, delivering sessions etc. but now we can take the learning of delivering our projects virtually as a positive, not only for staff skills and knowledge, but for the communities to know that we and our projects are still there for them.

Our employment teams have all adapted very well to remote working, and as a result, we have realised that going forward we can all reduce our carbon footprint significantly utilising various innovative methods of delivery.

We have been in constant contact with our Prime providers regarding delivery mechanisms, and have implemented new ways of working throughout the pandemic.

Impact of Covid on opportunities

The impact of Covid-19 is demonstrated by the effect it has had on the pipeline of opportunities that has shrunk considerably during Year 2 and into Year 3.

During Year 2, a significant reduction in new opportunities added to the pipeline became evident, due to funder uncertainty and changing funding policy to address the pandemic response, leading to a reduction of the number of opportunities published.

Members of staff have anecdotally reported that there has been a lack of opportunities, and this has been confirmed by a recent exercise undertaken. We analysed all opportunities posted on all funding / tender / contract sites on our geographic patch during the last 2 months. Of 657 opportunities posted, only 2 were appropriate for GWWM – as most opportunities were direct Covid-response focussed.

TRUSTEES REPORT

This contraction of opportunities (although transient and linked directly to Covid-19) has impacted directly on our growth plans for Year's 2 & 3 of the Reset Model.

Strategic positioning

However, Groundwork West Midlands has worked hard during Year 2 to position itself effectively alongside the wider federation, to be strategically positioned to meet the challenges and needs of a post-Covid West Midlands, and form an integral part of the 'building back better' response to the pandemic.

This has resulted in a strategic focus for the future on;

- Employment & training
- Environment and climate change
- Health & wellbeing

We are confident that these 3 key themes will form the greatest need post-pandemic, and we are seeing the evidence of this in Government policy. These 3 themes will attract large amounts of funding and increased opportunities to tackle the impact of the pandemic;

- High levels of unemployment
- Delays to the climate change agenda and achievement of climate change targets
- Increased health inequalities, mental health incidences and obesity crisis

Groundwork West Midlands is well placed to access the opportunities that will start to present themselves in the second half of Year 3, although there is evidence that investment in new employment opportunities is already under way.

Summary of our charitable work.

For 2020/21, Groundwork West Midlands delivered against the previous year's objectives;

- 1) Creating better spaces and places
- 2) Improving people's prospects and lives
- 3) Enabling sustainable living and working

The following is a sample of the work undertaken to satisfy these objectives during a very challenging year;

Tesco Community Grants (*previously called Bags of Help*)

Groundwork West Midlands continues to support applicants and grantees in the 42 West Midlands regions. The programme is managed by Groundwork UK.

TRUSTEES REPORT

During the COVID lockdown in 2020, we promoted Tesco's COVID funding to local groups helping 578 charities / not-for-profit organisations receive an emergency £500 COVID grant from Tesco. In total in the West Midlands, £289,000 was given out to help groups make adjustments and support their local communities through the COVID crisis. Applications came from groups as varied as: food banks, schools, scout/guide groups, resident associations, sports clubs.

Over the last year we have arranged and chaired multiple panel meetings in every region in the West Midlands to enable Tesco store staff to select which groups in their local area receive funding.

In mid-April 2021, Tesco relaunched their funding programme with a new name (Tesco Community Grants) and a focus on funding projects supporting Children and Young People. In each region, every quarter, three different projects are selected to compete in an in store.

Future Proof Parks

Since 2018, Groundwork West Midlands has been delivering Future Proof Parks. The programme aims to get more young people interested and involved in preserving their local parks and green spaces and is funded by the National Heritage Lottery Fund via Groundwork UK.

Aimed at young people aged between 11 and 25 years old, we connect our young volunteers with local Friends of Park groups, who they help with activities such as practical park maintenance, events, and social media. Over the last year, during subsequent lockdowns, a majority of the engagement moved online as well as offering the young people activities they could do at home or at their local park, such as heritage artwork projects or the summer challenges.

"I really like how the project was able to change since COVID19. I originally joined as I wanted to help out physically in the park but have enjoyed doing the online/ zoom things too. It has kept me distracted and motivated throughout lockdown. I like how I wanted to do some art work and that was sent to my house, this was very convenient and nice to see." Young person, aged 16.

We continued to support five Friends of Park groups by recruiting young volunteers, providing training, and organising activities and events with/for young people.

"The programme has helped me to get out more and do something that I enjoy. I feel more confident due to the praise I received for my contribution in helping maintaining the park. I have learnt what it means to lead a plan and manage my time wisely and efficiently." Young volunteer, aged 20.

Go Play Sandwell (previously called Let's Play)

GWM was awarded the funding for this programme for another three years towards the end of the last financial year (2019/20). Therefore, from the beginning and throughout the past year, Go Play have had to adapt their way of working due to the pandemic.

Working collaboratively with the Go Play partners to deliver a virtual offer has been paramount in order to still provide a service to families. This has provided well needed support to families throughout lockdown. Included in the virtual offer has been unlimited free play resources and activity tutorial videos via our new www.goplaysandwell.co.uk website and social media pages.

TRUSTEES REPORT

In addition to this, the team have delivered Go Play Zoom activity calls to children across the borough. The Zoom calls have consisted of fun games and arts and crafts activities to partake in whilst in a safe environment. One regular family who attends the Zoom sessions stated-

"The activities you deliver keep the kids engaged and they are constantly on the go which is great. You're always so helpful as well, I think you do such a variation of activities, all of you are so enthusiastic when your delivering the sessions, it's fantastic!"

Another family said the Zoom calls have increased her daughter's confidence-

"She is much more confident. It's her first experience taking part in online Zoom sessions, so it has given her the confidence to interact online and know how to behave in terms of respecting each other and listening to others on the calls."

As restrictions have started to ease in the last quarter, we have been delivering more outdoor sessions in the form of 'Play Bombing' in the parks and green spaces in our delivery towns.

'Play bombing' has given the team the opportunity to leave expressions of play across spaces in Smethwick, Wednesbury and Tipton. This has involved leaving chalk trails, clay critters and nature weaving around these spaces to provide opportunities for children to play when Go Play are not there.

The team have consistently delivered these sessions since the beginning of the Easter holidays, with almost 400 families taking part across Sandwell.

BBO Progress – Coventry and Warwickshire

BBO Progress is a project delivered across Coventry and Warwickshire supporting NEET (not in education or employment) young people to move them into employment or education. WE support through individual IAG (information advice and guidance) and break down barriers to achieving these outcomes.

We have delivered remotely using technology during the covid period and for the last quarter we have cautiously and carefully re-introduced face to face delivery to support our participants

We are currently in talks with the prime contract holder Groundwork UK around the extension to this programme and we are confident that we will continue through 2022/2023.

BBO Connecting Choices – Stoke on Trent

This project has been running since 2016 (with multiple extensions) delivered for Ixion (part of Shaw Trust) we have successfully supported individuals into employment, education or competent job search.

We delivery in Stoke on Trent, Newcastle Under Lyme and also Staffordshire Moorlands.

We support people with many barriers including homeless, substance misuse, ex-offending and various mental health issues – holistically we provide support with the help from specialist partners.

As a result of the hard work and good performance on this project we have recently just agreed for another extension that sees us working on this up to the end of Q4 2022.

TRUSTEES REPORT

BBO Evolve – Burton

Supporting participants 16+ to move into employment, education or competent job search.

Working with individuals furthest away from the labour market supporting with various barriers.

Providing help with confidence, Mentoring, CV and application support coupled with effective IAG we design a plan for each participant to reach their goal in a specific time.

Delivering either within our centre or out in the community we work with many stakeholders and organisations to support our participants to a favourable outcome.

We are currently in talks around the extension of this programme and are just awaiting a final SLA – this will take this project through to the end of 2022.

BBO Family Matters – Sandwell

This project supports people that are in a family environment, single parents or caring responsibilities. We support breaking down barriers to employment, education or competent job search.

Our links with local colleges are proving very successful and our education route for customers is exceeding the required standard set by the Prime (Black Country Together)

Covid restrictions has meant that we have also had to adapt to virtual support, using various platforms to support our participants. We are looking forward to easing of restrictions and supporting people in our Tipton centre on a face to face basis.

As a result of our success on this project we have agreed to continue with the extension that will take us towards the latter part of 2022.

Sustainable Business Services

Groundwork West Midland's Sustainable Business Services is a commercial income stream that supports our charitable aims.

Our customers are SMEs from across the West Midlands who are also of course part of our local communities. The majority are based in the Black Country and we serve a core group of loyal businesses who return to buy from us every year. Our current focus is the industrial sector, supporting them with their environmental and health and safety legal obligations. We deliver a suite of services that range from a full package such as managing legal registers, annual environmental and health and safety compliance audits, through to ad-hoc bespoke training or quarterly reports on generic legal updates. The service relies on effective B2B sales and account management and is an area we would like to grow.

Strategic work

We have been working with an organisation called Pilotlight to address a number of issues over the last 12 months. The Pilotlight support sessions have continued and are nearing their conclusion. Following our last session, a final version of a 'Planning Triangle' was produced, and was used to inform the production of a DRAFT Strategic Document setting out our direction for the next 3 years.

TRUSTEES REPORT

We have also spent time devising a Stakeholder / Partnership Map, to enable us to focus our future business development activity over the coming year.

Following the sessions, we now have;

- Final version of the Planning Triangle to assist strategic planning
- Strategy map
- Draft 3-year strategy
- Updated SWOT analysis
- Partnership map / Engagement plan

The work undertaken with Pilotlight has proved to be very valuable, and has undoubtedly helped us to frame our thinking during a very difficult year.

The Future

Now that the Reset Model has been embedded and is being achieved, the organisation has an exciting opportunity to develop, grow and play a relevant and vital part in the lives of the residents of the West Midlands.

Following an extended period of lockdown where the organisation has discovered new and innovative ways of delivering our work, GWWM now has clarity around its purpose and is fit for the future. The CEO and senior team are now working hard to plan an organisation that delivers relevant and meaningful work in a post-Covid crisis world, to build on the excellent work already undertaken in our turnaround plan, shaping and embedding a culture in an organisation that is excited by future opportunities.

Our primary task is to now ensure that GWWM is a visible, active and recognisable positive presence in the region, building relationships with partners and exploring the development of new activities and initiatives.

We have already identified and been successful in bidding to deliver a significant contract over the next 3-4 years, the Restart Scheme.

Restart

The Restart Scheme is part of the UK Governments “plan for jobs” initiative, designed to provide people with support and advice to help people secure sustainable employment. DWP have chosen Serco as their delivery contract holder and Groundwork WM have been successful as part of their supply partners.

Groundwork West Midlands will be delivering in 4 areas: Sandwell, Dudley, Birmingham and Coventry and will reach 4000 participants. We have and are still in the process of recruitment to service this contract with an initial staff intake of 22 full time over the next 5 months.

Launch date was 28th May 2021 and will support people over a delivery period of four years.

Eligibility for participants are aged 18+ unemployed between 12 and 18 months with no sustained earnings at point of referral and not to be engaged with any other DWP support programme.

Participants have up to 12 months support with our Groundwork West Midlands dedicated team to move into employment.

TRUSTEES REPORT

By delivering effective information advice and guidance and with robust bespoke needs assessment and action planning we will work with participants to secure employment. We have employability coaches, employability trainers and employment engagement staff all working hard to achieve these goals.

We will achieve this by operating a holistic approach to delivery gaining support from various external companies to help break down any personal barriers to achieving their desired career outcome.

TRUSTEES REPORT

Financial performance

The result for 2020/21 shows a consolidated deficit before investments gains of £246,209 (2020: deficit £1,008,196) on a consolidated turnover of £1,543,980 (2020: £1,829,484).

The Trustees in 2015 agreed to invest the free reserves to create an income to be used to fund future operating costs of the Trust. Circa £2.5 million was invested and during 2018 - 2019 this resulted in net gain of £202,229 (2020: net loss £58,275) bringing a result of a deficit of £43,980 (2020: deficit £1,066,471).

We review all operating areas of Trust on a regular basis to ensure that we continue to trade on a sustainable basis and consider all opportunities presenting themselves in order that the Trust remains financially stable whilst delivering our strategic aims.

Reserves

In line with our three-year financial strategy our trustees have agreed to set a minimum level of free reserves at 15% of annual turnover or a minimum of £300k.

As at 31 March 2021 Groundwork West Midlands has total unrestricted reserves of £1,106,252 within which are free reserves of £1,090,386 after taking into account fixed assets, and £1,054,360 after taking into account our committed use of our overdraft facility.

The free reserves will enable Groundwork West Midlands to:

- manage known short term commitments that the Charity is exposed to in the course of its business and to fund the usual retrospective nature of programme funding
- respond to unplanned/unforeseen downturn, covering up to 6 months of overhead and salary costs of the organisation

Any income or donations that are received and deemed to be restricted funds are accounted for separately with our Financial Statements. Any monies held longer the statutory minimum retention period after the end of the project, that was deemed restricted, will be reclassified and transferred to unrestricted reserves at the end of that period.

This transfer policy is based on the Statutory Record retention principals. Any funds still restricted beyond the statutory minimum retention period will be reclassified as Unrestricted. This is based on our own Records and Archiving Policy, we believe the funding organisations will have destroyed previous records, as have we; so they will no longer hold information to base future audit requests on, which may have resulted in requests for clawback or return of unspent funds.

The Board will keep its reserves policy under review to ensure that an appropriate balance is maintained between developing reserves to provide:

- sufficient funds to meet its forward obligations
- a reserve against unforeseen events
- adequate resources to fund new initiatives in order to promote the charitable objects

Pension arrangements

The Trust currently offers two types of pension arrangement:

1. A group pension plan through Friends Provident or AEGON (as recommended by Groundwork UK) where employees pay a minimum of 4.5% of salary to Groundwork and a minimum 12% of salary is

TRUSTEES REPORT

remitted to Friends Provident or AEGON.

2. A group pension plan through AEGON where employees pay a minimum of 4.5% of salary to Groundwork and a minimum 9% of salary is remitted to AEGON. This AEGON stakeholder scheme is also offered to employees after completion of 3 month's service where employees pay a minimum of 4.5% of salary to Groundwork and a minimum of 9% of salary is remitted to AEGON.

Principal funding sources

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

- **Private sector grants and contracts** - £330k (£237k in 2019/20)

This includes funds provided by businesses, charitable trusts and foundations. It also includes sales income from Sustainable Business Services.

- **Public sector grants and contracts** - £1.2m (£1.4m in 2019/20)

This includes funding secured to deliver programmes and services on behalf of government departments, public bodies and lottery distributors. Major funders during 2020/21 included the National Lottery Community Fund, the European Social Fund and The Land Trust.

Expenditure on charitable objectives

In line with the objectives set in our Groundwork 2020 strategy and the Groundwork UK business plan, our expenditure in the year was directed towards the following activities.

- **Community projects** - £1.065m (2019/20: £1.3m)

Creating opportunities and delivering projects to improve people's lives and neighbourhoods

- **Employment projects** - £576k (2019/20: £622k)

Removing barriers to employment to help people get back into work

- **Low Carbon Growth Support project** - £46k (2019/20 £188k)

Providing free support to SMEs in the Black Country and Greater Birmingham & Solihull to reduce their energy costs, carbon footprint and enhance resource efficiency.

- **Running Groundwork West Midlands** – £70.5k (2019/20: £133k)

Ensuring Groundwork West Midlands is efficient, effective and flexible and generates maximum revenue from its assets and investments to support its charitable objects.

Principal risks and uncertainties

Groundwork West Midlands holds a high level risk register that Trustees review quarterly. Risks are categorised as Strategic, Governance, Regulatory, Financial, Operational and a score is attributed to the potential impact of named risks, multiplied by the score attributed to the likelihood of the event occurring. Mitigating actions are identified and a status report provided so that Trustees can take assurance that routine or exceptional issues are identified in good time and how they will be addressed.

A key risk is our inability to see through the three-year financial strategy, some of which is dependent on achieving business growth in what is now a very uncertain financial economic landscape. Significant progress has been in all of our key success factors, such as capitalising property, reducing overheads, recruitment of the permanent chief executive and investment in development activities.

TRUSTEES REPORT

Powers of investment

The Trustees are authorised by the Memorandum of Association to invest monies not immediately required for the charity's own purposes in such investments, securities or property as they deem fit subject to any conditions required by law.

This subject is discussed at Board level. The current thinking is that, where possible, monies should be held in easily accessible cash accounts primarily in order to facilitate the rapid set up of beneficial projects. An Investment Policy has been developed and investments in line with this policy were made in 2018/19.

We have secured the use of a Lombard Loan Facility to the value of £1 million against our Investment Portfolio which enables us to draw on cash to fund project expenditure. This will support our cash flow in the short term to deliver the nature of contracts like Payment by Results and those implementing defrayal.

Statement of Trustees responsibilities

The Trustees (who are also directors of Groundwork West Midlands for the purposes of company law) are responsible for preparing the Trustees' report (including the Group Strategic report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 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 accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware; and

TRUSTEES REPORT

- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

This report was approved by the Trustees, on 28th October 2021 and signed on their behalf by:



A Simpson, Chair

INDEPENDENT AUDITORS REPORT

Opinion

We have audited the financial statements of Groundwork West Midlands (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, Balance Sheet and Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2021 and of the Group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Group 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 group's or of the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

INDEPENDENT AUDITORS REPORT

appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' 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 directors' 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 light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept; 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8 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 group's and of 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's or the parent charitable company's or to cease operations, or have no realistic alternative but to do so.

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.

INDEPENDENT AUDITORS REPORT

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the group's and of the parent charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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 might be fundamental to the group's and of the parent charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the group's and of the parent charitable company's for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Employment legislation and Taxation legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing 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, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, 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 non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

INDEPENDENT AUDITORS REPORT

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.



Helen Drew,
Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP,
Statutory Auditor
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Date: 15 November 2021

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021**

		Unrestricted Funds 2021	Restricted Funds 2021	Total Funds 2021	Total Funds 2020
	Note	£	£	£	£
INCOME FROM:					
Donations and legacies	3	6,650		6,650	43,092
Charitable activities	4	390,796	1,038,092	1,428,888	1,680,701
Other Trading activities	5	75,585		75,585	44,465
Investments	6	32,857		32,857	61,226
TOTAL INCOME		505,888	1,038,092	1,543,980	1,829,484
EXPENDITURE ON:					
Raising funds	7	32,599	-	32,599	3,287
Charitable activities	8	731,990	1,025,600	1,757,590	2,834,393
TOTAL EXPENDITURE		764,589	1,025,600	1,790,189	2,837,680
NET EXPENDITURE BEFORE INVESTMENT GAINS		(258,701)	12,492	(246,209)	(1,008,196)
Net (losses)/gains on investments		202,229		202,229	(58,275)
NET EXPENDITURE BEFORE TRANSFERS		(56,472)	12,492	(43,980)	(1,066,471)
Transfer between Funds	16	12,492	(12,492)		-
NET INCOME / (EXPENDITURE)		(43,980)	-	(43,980)	(1,066,471)
NET MOVEMENT IN FUNDS		(43,980)	-	(43,980)	(1,066,471)
RECONCILIATION OF FUNDS:					
Total funds brought forward		1,150,232	91,585	1,241,817	2,308,288
TOTAL FUNDS CARRIED FORWARD		1,106,252	91,585	1,197,837	1,241,817

The notes on pages 28 to 45 form part of these financial statements

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021

		2021		2020	
	Note	£	£	£	£
FIXED ASSETS					
Intangible assets			-		-
Tangible assets	12		15,866		38,253
Investments	13		<u>1,206,736</u>		<u>1,004,507</u>
			1,222,602		1,042,760
CURRENT ASSETS:					
Debtors	14	230,731		297,426	
Cash at bank and in hand			<u>136,900</u>		<u>270,987</u>
			367,631		568,413
CREDITORS: amounts falling due within one year	15		<u>(392,396)</u>		<u>(369,356)</u>
NET CURRENT LIABILITIES			<u>(24,765)</u>		<u>199,057</u>
NET ASSETS			<u>1,197,837</u>		<u>1,241,817</u>
CHARITY FUNDS					
Restricted funds	16		91,585		91,585
Unrestricted funds	16		<u>1,106,252</u>		<u>1,150,232</u>
TOTAL FUNDS			<u>1,197,837</u>		<u>1,241,817</u>

The Trustees acknowledge their responsibilities for complying with the requirement of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on 28th October 2021 and signed on their behalf, by:



A Simpson, Chair

The notes on pages 28 to 45 form part of these financial statements.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

CHARITY BALANCE SHEET
AS AT 31 MARCH 2021

		2021	2020
	Note	£	£
FIXED ASSETS			
Intangible assets		-	-
Tangible assets	12	15,866	38,253
Investments	13	<u>1,206,737</u>	<u>1,004,508</u>
		1,222,603	1,042,761
CURRENT ASSETS:			
Debtors	14	230,731	298,086
Cash at bank and in hand		<u>110,985</u>	<u>242,585</u>
		341,716	540,671
CREDITORS: amounts falling due within one year	15	<u>(391,888)</u>	<u>(367,448)</u>
NET CURRENT LIABILITIES		<u>(50,172)</u>	<u>173,223</u>
NET ASSETS		<u>1,172,431</u>	<u>1,215,984</u>
CHARITY FUNDS			
Restricted funds	16	91,585	91,585
Unrestricted funds	16	<u>1,080,846</u>	<u>1,124,399</u>
TOTAL FUNDS		<u>1,172,431</u>	<u>1,215,984</u>

The deficit for the year dealt with in the accounts of the Charity was £43,553 (2020 - £1,064,815).

The Trustees acknowledge their responsibilities for complying with the requirement of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on 28th October 2021 and signed on their behalf, by:



A Simpson, Chair

The notes on pages 28 to 45 form part of these financial statements

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

	Note	2021	2020
		£	£
Cash flows from operating activities			
Net cash used in operating activities	18	(172,662)	<i>(1,197,619)</i>
Cash flows from investing activities:			
Dividends, interest and rents from investments		32,857	<i>105,691</i>
Proceeds from the sale of tangible fixed assets		5,718	<i>506,675</i>
Purchase of tangible fixed assets		-	<i>(18,290)</i>
Proceeds from sale of investments		135,000	<i>749,055</i>
Purchase of investments		(135,000)	<i>(99,707)</i>
Net cash provided by investing activities		38,575	<i>1,243,424</i>
Change in cash and cash equivalents in the year		(134,087)	<i>45,805</i>
Cash and cash equivalents brought forward		270,987	<i>225,182</i>
Cash and cash equivalents carried forward		136,900	<i>270,987</i>

The notes on pages 28 to 45 form part of these financial statements.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

1. COMPANY INFORMATION

Groundwork West Midlands (the charity) is a Company Limited by Guarantee, registered in England. The registered office is Lockside, 5 Scotland Street, Birmingham, B1 2RR and principal place of business is Groundwork West Midlands, First Floor Owen House, Unit 36-38 Unity Walk, Tipton Shopping Centre, Tipton, DY4 8QL.

Groundwork West Midlands help to strengthen communities by delivering health, wellbeing, youth, employment and green projects across the West Midlands.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Groundwork West Midlands 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.

The Consolidated Statement of financial activities (SOFA) and Consolidated Balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Group has taken advantage of the exemption allowed under Section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Going concern

The Trustees consider they have sufficient reserves and cash to continue operating on a going concern basis for the foreseeable future.

As stated in the Trustee's Report, Trustees believe there are no material uncertainties that call into doubt the Charities ability to continue as a going concern and the accounts have therefore been prepared on the basis that the Charity is a going concern. In light of the current climate in relation to the COVID-19 pandemic the Trustees have reviewed the Charities finances. In the short term cash holdings are sufficient to ensure adequate cash flow for the foreseeable future. In the medium to long term plans for, and the structure of, Groundwork West Midlands remain extant and will continue to be reviewed regularly.

2.3 Company status

The Charity is a company limited by guarantee. The members of the company are the Trustees named on page 47. 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.

2.4 Funds

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2.5 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.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity.

Governance costs are those incurred in connection with management of the charity's assets, organisational administration and compliance with constitutional and statutory requirements.

Costs of raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

All costs are allocated between expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of resources. Costs relating to a particular activity are allocated directly. Remaining shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

All expenditure is inclusive of irrecoverable VAT.

2.7 Intangible fixed assets and amortisation

Software assets are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost of intangible assets, over their expected useful lives which is estimated to be 4 years.

Amortisation is charged to expenditure on charitable activities in the Statement of financial activities.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold Property	- 20-50 years straight line
Short term leasehold property	- over the term of the lease
Plant and machinery	- 20% straight line
Furniture, fixtures and vehicles	- 20% straight line
Computer equipment	- 25% straight line
Motor vehicles	- 25% straight line

2.9 Investments

Fixed asset investments are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/ (losses) on investments' in the Statement of financial activities.

Subsidiary undertakings:

Investments in subsidiaries are valued at cost less provision for impairment.

2.10 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

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

settlement value at the balance sheet date.

Debtors

Trade and other debtors are recognised at the settlement amount.

Creditors

Short term creditors are measured at the transaction price.

2.11 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.12 Significant judgements and estimates

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

Significant judgements

There are no significant judgements having a material effect on the financial statements.

Significant estimates

There are no significant estimates having a material effect on the financial statements.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted Funds 2021 £	Restricted funds 2021 £	Total Funds 2021 £	<i>Total Funds 2020 £</i>
Donations	6,650	-	6,650	2,092
Gifts in kind	-	-	-	41,000
	6,650	-	6,650	43,092
Total 2020	2,092	41,000	43,092	

The Charity during 2019/20 occupied premises at Tipton owned by Sandwell District Council rent free. The commercial rent of the property p.a. is £41,000 and is reflected as a gift in kind. These premises were vacated on the 31/03/2020 and the Charity re-located to smaller premises closer to the centre of Tipton.

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2021 £	Restricted funds 2021 £	Total Funds 2021 £	<i>Total Funds 2020 £</i>
Community Projects	351,319	562,928	914,247	1,044,649
Employment Projects	-	465,164	465,164	426,533
Low Carbon Projects	-	-	-	148,682
Business Projects SBS	39,477		39,477	60,837
IT Funding		10,000	10,000	
	390,796	1,038,092	1,428,888	1,680,701
Total 2020	510,900	1,169,801	1,680,701	

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

Income from projects provided by:

	Unrestricted Funds 2021 £	Restricted funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Central Government	-	-	-	34,086
Local Authorities	11,653	141,816	153,469	330,476
Public Agencies	195,892	956	196,848	220,800
European Union	-	34,998	34,998	176,109
National Lottery	-	713,059	713,059	682,181
Private Sector	183,251	147,263	330,514	237,049
	390,796	1,038,092	1,428,888	1,680,701

LOTTERY FUNDING

	2021 £	2020 £
BIG Lottery		
IT Project	10,000	
Every Step of the Way	36,289	47,369
Cook Together Eat Together	74,196	91,292
Communities Prepared Sparkhill	847	360
Fancy a Brew	18,065	17,423
Green Recovery Fund	1,378	
Building Better Opportunities – Breakthrough	545,282	492,042
	686,057	648,486
Heritage Lottery		
Future Proof Parks	27,002	30,544
Other Lottery Funding		
Delicious Dinners		3,151
Total	713,059	682,181

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

5. OTHER TRADING ACTIVITIES

	Unrestricted Funds 2021 £	Restricted funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Rental Income				44,465
Other Income	4,316	-	4,316	-
Furlough Income	71,269		71,269	
	75,585	-	75,585	44,465
Total 2020	44,465	-	44,465	

6. INVESTMENT INCOME

	Unrestricted Funds 2021 £	Restricted funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Dividend Income	32,857	-	32,857	61,226
	32,857	-	32,857	61,226
Total 2020	61,226	-	61,226	

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

7. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff Costs 2021 £	Depreciation £	Other Costs £	Total 2021 £	Total 2020 £
Expenditure on raising funds	27,456	-	5,143	32,599	3,287
Costs of raising funds	27,456	-	5,143	32,599	3,287
Community Projects	672,929		388,883	1,061,812	1,347,607
Employment Projects	471,946		101,999	573,945	621,912
Business Projects SBS	18,051		27,815	45,866	70,983
Low Carbon Projects					187,956
Exceptional Re-Location/Restructure					472,752
Running Groundwork WM	46,943	16,669	12,355	75,967	133,183
Charitable Activities	1,209,869	16,669	531,052	1,757,590	2,834,393
	1,237,325	16,669	536,195	1,790,189	2,837,680
Total 2020	1,468,402	56,949	1,312,329	2,837,680	

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2021 £	Support Costs 2021 £	Total 2021 £	Total 2020 £
Community Projects	734,066	327,746	1,061,812	1,347,607
Employment Projects	422,219	151,726	573,945	621,912
Low Carbon Projects	-	-	-	187,956
Business Projects SBS	34,863	11,003	45,866	70,983
Exceptional Re-location/Restructure	-	-	-	472,752
Running Groundwork WM	-	75,967	75,967	133,183
	1,191,148	566,442	1,757,590	2,834,393
Total 2020	1,364,764	1,469,629	2,834,393	

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

9. SUPPORT COSTS

	2021	<i>2020</i>
	£	<i>£</i>
General Office	172,772	<i>313,012</i>
IT, Office equipment and maintenance	207,504	<i>378,553</i>
Human Resources	14,279	<i>36,658</i>
Finance and Legal	115,564	<i>190,209</i>
Governance	33,969	<i>62,578</i>
Investment Management Fees	12,354	<i>15,865</i>
Exceptional Re-location/Restructure	-	<i>472,752</i>
	556,442	<i>1,469,629</i>

10. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2021	<i>2020</i>
	£	<i>£</i>
Depreciation of tangible fixed assets:		
-owned by the charitable group	16,669	<i>56,635</i>
Amortisation of intangible fixed assets	-	<i>314</i>
Auditors Remuneration	12,600	<i>12,200</i>
Operating Leases	85,030	<i>49,452</i>

During the year, no Trustees received any remuneration or other Benefits (2020 - £NIL).

During the year, Trustees received reimbursement of expenses totalling £80 (2020 - £112) for travel and accommodation.

Auditor's remuneration includes fees relating to the audit of the Charity of £11,000 (2020 - £11,000).

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

11. STAFF COSTS

Staff costs were as follows:

	2021	2020
	£	£
Wages and Salaries	1,089,486	1,304,760
Social Security costs	87,549	99,755
Pension Costs	60,290	63,887
	1,237,325	1,468,402

The average number of persons employed by the Charity during the year was as follows:

	2021	2020
	No	No.
Direct Charitable	56	54
Fundraising and Publicity	2	2
Administration	2	2
	60	58

The number of higher paid employees was:

	2021	2020
	No	No.
In the band £70,001-£80,000	1	2
	1	2

Total contributions under defined contribution schemes on behalf of this higher paid employee were £5,683 (2020: £4,221).

At the year-end retirement benefits accruing to 1 (2020: 1) higher paid employee under defined contribution schemes.

Key management personnel received total remuneration of £312,479 (2020: £263,089).

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

12. TANGIBLE FIXED ASSETS

Group and Charity	Freehold Property 2021 £	Short term Leasehold Property 2021 £	Furniture, Fixtures, Equipment & vehicles £	Total £
Cost				
At 1 April 2020	-	-	699,487	699,487
Additions	-	-	-	-
Disposals			(26,484)	(26,484)
At 31 March 2021	-	-	673,003	673,003
Depreciation				
At 1 April 2020			661,234	661,234
Charge for the year			16,669	16,669
On disposals			(20,766)	(20,766)
At 31 March 2021			657,137	657,137
Net book value				
At 31 March 2021			15,866	15,866
At 31 March 2020	-	-	38,253	38,253

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

13. FIXED ASSET INVESTMENTS

Group	Listed Securities £
Market Value	
At 1 April 2020	1,004,507
Additions	135,000
Disposals	(135,000)
Revaluations	202,229
At 31 March 2021	<u>1,206,736</u>
At 31 March 2020	<u>1,004,507</u>

Group investments at market value comprise:

	UK £	Overseas £	2021 £	2020 £
Listed Investments	583,127	623,609	1,206,736	1,004,507

Group material investments

The following investments represent more than 5% of the portfolio:

	2021 £	2020 £
UBS ETF SICAV BLB BARCLAYS MSCI UK	81,215	79,816
UBS ETF SICAV MSCI Pacific SOC RES	66,952	54,328
UBS AG Jersey BRCH AUTI REDM NTS 9.7.20 GBP	-	132,678
UBS ETF PLC MSCI UK SOC RES UCITS ETF	144,036	114,148
UBS ETF SICAV MSCI USA Socially Resp UCIT	329,265	236,959
UBS ETF SICAV MSCI EMU SOC RESP CL A GBP	159,893	122,947
ISHARES II PLC Core UK Gilts UCITS	49,598	53,285
ISHARES II PLC GBP Index-Inkd Gilts UCITS	70,458	68,922
BLACKROCK FXD INC ISHARES GREEN BD IDX	99,769	95,898
UBS ETF SICAV MSCI EMRGNG MRKTS SOC RES	67,499	-
BNP ISSUE CALL PHOENIX	138,051	
	<u>1,206,736</u>	<u>958,531</u>

Shares in Group

	Listed Securities £	Undertakings £	Total £
At 1 April 2020	1,004,507	1	1,004,508
Additions	135,000	-	135,000
Disposals	(135,000)	-	(135,000)
Revaluations	202,229	-	202,229
At 31 March 2021	<u>1,206,736</u>	<u>1</u>	<u>1,206,737</u>

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

Charity Investments at cost comprise:

	UK £	Overseas £	2021 £	2020 £
Listed Investments	583,127	623,609	1,206,736	1,347,607
Group	1	-	1	1
Total	583,128	623,609	1,206,737	1,347,608

14. DEBTORS

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	94,576	197,062	94,576	197,062
Amounts owed by group undertakings	-	-	-	660
Other debtors	-	142	-	142
Prepayments and accrued income	136,155	100,222	136,155	100,222
Total	230,731	297,426	230,731	298,086

15. CREDITORS: Amounts falling due within one year

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Overdraft facility	36,026	36,026	36,026	36,026
Trade creditors	39,839	71,621	39,831	71,613
Other taxation and social security	44,567	66,121	44,667	66,221
Accruals and deferred income	271,964	195,588	271,364	193,588
Total	392,396	369,356	391,888	367,448

The overdraft facility is repayable on demand and is secured against investments held with UBS.

Deferred income

Group

Movements in deferred income during the year were as follows:

	Balance at 1 April 2020 £	Amount released to incoming resources £	Amount deferred in the year £	Balance at 31 March 2021 £
Community Projects	107,881	(107,881)	153,313	153,313
Employment Projects	18,459	(18,459)	40,650	40,650
Business Projects	9,930	(9,930)	7,338	7,338
Central IT Funding	10,000	(10,000)	664	664
Total	146,270	(146,270)	201,965	201,965

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

15. CREDITORS (continued)

Charity

Movements in deferred income during the year were as follows:

	Balance at 1 April 2020 £	Amount released to incoming resources £	Amount deferred in the year £	Balance at 31 March 2021 £
Community Projects	107,881	(107,881)	153,313	153,313
Employment Projects	18,459	(18,459)	40,650	40,650
Business Projects	9,930	(9,930)	7,338	7,338
Central Funding	10,000	(10,000)	664	664
Total	146,270	(146,270)	201,965	201,965

Deferred Income comprises commission income received in advance.

16. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Balance at 31 March 2021 £
Unrestricted funds						
General Funds	1,150,232	505,888	(764,589)	12,492	202,229	1,106,252
Restricted Funds						
General		10,000	(10,000)			
Community	91,585	562,928	(550,928)	(12,000)		91,585
BBO Employment		465,164	(464,672)	(492)		-
	91,585	1,038,092	(1,025,600)	(12,492)		91,585
Total of Funds	1,241,817	1,543,980	(1,790,189)	-	202,229	1,197,837

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Balance at 31 March 2019 £
Unrestricted funds						
General Funds	2,216,703	618,683	(1,612,304)	(14,575)	(58,275)	1,150,232
Restricted Funds						
General	-	41,000	(41,000)	-	-	-
Community	91,585	597,500	(603,726)	6,226	-	91,585
BBO Employment	-	423,619	(449,822)	26,203	-	-
Low Carbon Projects	-	148,682	(130,828)	(17,854)	-	-
	91,585	1,210,801	(1,225,376)	14,575	-	91,585
Total of Funds	2,308,288	1,829,484	(2,837,680)	-	(58,275)	1,241,817

The unrestricted funds of the charity are those that are not designated for a particular purpose.

The restricted funds of the charity are those that are received for a particular purpose and these encompass the following activities:

Community and general - building stronger neighbourhoods through the provision of community consultations and training and support for community and resident groups.

Employment – working with unemployed individuals, supporting them into employment, education or training.

The transfers during the year represent amounts to top up restricted projects using unrestricted funds.

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Balance at 31 March 2021 £
General Funds	1,150,232	505,888	(764,589)	12,492	202,229	1,106,252
Restricted Funds	91,585	1,038,092	(1,025,600)	(12,492)		91,585
Total of Funds	1,241,817	1,543,980	(1,790,189)	-	202,229	1,197,837

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Balance at 31 March 2019 £
General Funds	2,216,703	618,683	(1,612,304)	(14,575)	(58,275)	1,150,232
	91,585	1,210,801	(1,225,376)	14,575	-	91,585
Total of Funds	2,308,288	1,829,484	(2,837,680)	-	(58,275)	1,241,817

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted Funds 2021 £	Restricted funds 2021 £	Total Funds 2021 £
Tangible fixed assets	15,866		15,866
Fixed Asset investments	1,206,736		1,206,736
Current assets	276,046	91,585	367,631
Creditors due within one year	(392,396)		(392,396)
	1,106,252	91,585	1,197,837

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted Funds 2020 £	Restricted funds 2020 £	Total Funds 2020 £
Tangible fixed assets	38,253		38,253
Fixed Asset investments	1,004,507		1,004,507
Current assets	476,828	91,585	568,413
Creditors due within one year	(369,356)		(369,356)
	1,150,232	91,585	1,241,817

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

	Group	
	2021 £	2020 £
Net expenditure for the year (as per Statement of Financial Activities)	(43,980)	(1,066,471)
Adjustment for:		
Depreciation and amortization charges	16,669	429,487
(Gains)/losses on investments	(202,229)	58,275
Dividends, interest and rents from investments	(32,857)	(105,691)
(Increase)/decrease in debtors	66,695	117,574
Increase/(decrease) in creditors	23,040	(630,793)
	(172,662)	(1,197,619)

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group	
	2021	2020
	£	£
Cash in hand	136,900	270,987
Total	136,900	270,987

20. ANALYSIS OF NET DEBT

	At 1 April 2020 £	Cash Flows £	At 31 March 2021 £
Cash at bank and in hand	270,987	(134,087)	136,900
Debt due within 1 year	(36,026)	-	(36,026)
	234,961	(134,087)	100,874

21. PENSION COMMITMENTS

The Trust currently offers two types of pension arrangement:

1. A group pension plan through Friends Provident or AEGON (as recommended by Groundwork UK) where employees pay a minimum of 4.5% of salary to Groundwork and a minimum 12% of salary is remitted to Friends Provident or AEGON.

2. A group pension plan through AEGON where employees pay a minimum of 4.5% of salary to Groundwork and a minimum 9% of salary is remitted to AEGON. This AEGON stakeholder scheme is also offered to employees after completion of 3 months' service where employees pay a minimum of 4.5% of salary to Groundwork and a minimum of 9% of salary is remitted to AEGON.

Contributions totalling £8,464 (2020: £12,924) were payable at the year end and are included in creditors.

22. OPERATING LEASE COMMITMENTS

At 31 March 2021 the future minimum lease payments under non-cancellable operating leases were:

	Group	
Group and Charity	2021	2020
	£	£
Amounts payable:		
Not later than 1 year	25,430	49,452
Between 1 and 5 years	54,075	19,139
Total	79,505	68,591

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

23. RELATED PARTY TRANSACTIONS

There have been no other related party transactions that require disclosure other than transactions with the subsidiary company, Groundwork West Midlands Enterprise Limited, as set out below:

Group and Charity	2021 £	2020 £
Sundry	427	1,655
Total	427	1,655

The balance outstanding at the year-end owed from Groundwork West Midlands Enterprise Limited at the year-end was NIL (2020: £660).

24. PRINCIPAL SUBSIDIARIES

Groundwork West Midlands Enterprises Ltd

Subsidiary name	Groundwork West Midlands Enterprises Ltd
Company registration number	07110713
Basis of control	100%
Total assets as at 31 March 2021	£ 26,015
Total liabilities as at 31 March 2021	£ 607
Total equity as at 31 March 2021	£ 25,408
Turnover for the year ended 31 March 2021	£ -
Expenditure for the year ended 31 March 2021	£ 427
Loss for the year ended 31 March 2021	(£ 427)

25. FINANCIAL INSTRUMENTS

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Financial assets				
Financial assets measured at fair value through income and expenditure	1,206,736	1,004,507	1,206,737	1,004,507
Financial assets that are debt instruments Measured at amortised cost	189,958	252,859	189,958	253,249
Financial liabilities				
Financial liabilities measured at amortised cost	(145,869)	(156,965)	(145,262)	154,959

Financial assets measured at fair value through income and expenditure comprises investments in listed securities.

Financial assets measured at amortised cost comprise trade debtors and accrued income.

GROUNDWORK WEST MIDLANDS
(A company limited by guarantee)

FINANCIAL STATEMENT NOTES

Financial liabilities measured at amortised cost comprise trade creditors and accruals.

The group's income, expense, gains and losses in respect of financial instruments are summarised below:

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Total investment income for financial assets measured at fair value through income and expenditure		61,226		61,226
Net gains/(losses) on financial assets measured at fair value through income and expenditure		(58,275)		(58,275)
Total investment income for financial assets measured at amortised cost		-		-

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

ADVISORS

Auditors

Crowe U.K. LLP
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Bankers

The Co-operative Bank
PO Box 250
Skelmersdale
WN8 8WT

Investment Managers

UBS AG Wealth Management
10 Colmore Row
Birmingham
B3 2QD

Solicitors

George Green LLP
19 Waterloo Road
Wolverhampton
West Midlands
WV1 4DY

Knights Plc
The Brampton
Newcastle-under-Lyme
Staffordshire
ST5 0QW

Clowes & Co
112 Baddeley Green Lane
Baddeley Green
Stoke-on-Trent
Staffordshire
ST2 7HA

The Board of Trustees

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

Appointed trustees

A Simpson, Chair

J Campbell Resigned 31st March 2021

J Patel

A Cranston Resigned 28th November 2020

I Priest

R Tappia Appointed 26th November 2020

B Bickerton Appointed 26th November 2020

G Hooper Appointed 26th November 2020

J Wilkins Appointed 26th November 2020

Company Secretary

Ruth Page Resigned 28th October 2020

Deborah Williams Appointed 28th October 2020

Committees of the Board

Finance and Audit Committee Chair – Jay Patel

Chief Executive

Andrew Thompson



Contact us

Groundwork West Midlands
First Floor, Unit 36-38 Owen House
Unity Walk, Tipton Shopping Centre
Tipton, DY4 8QL

www.groundwork.org.uk/hubs/westmidlands

Tel: 0121 530 5500

E-mail: westmids@groundwork.org.uk

Twitter: @GWWM

Facebook: /groundworkwestmids

Instagram: @GroundworkWestMids

LinkedIn: Groundwork West Midlands

Charity Registration Number: 1128858

Company Registration Number: 06823225
