

2024/25

The Federation Of Groundwork Trusts

(Operating as Groundwork UK)



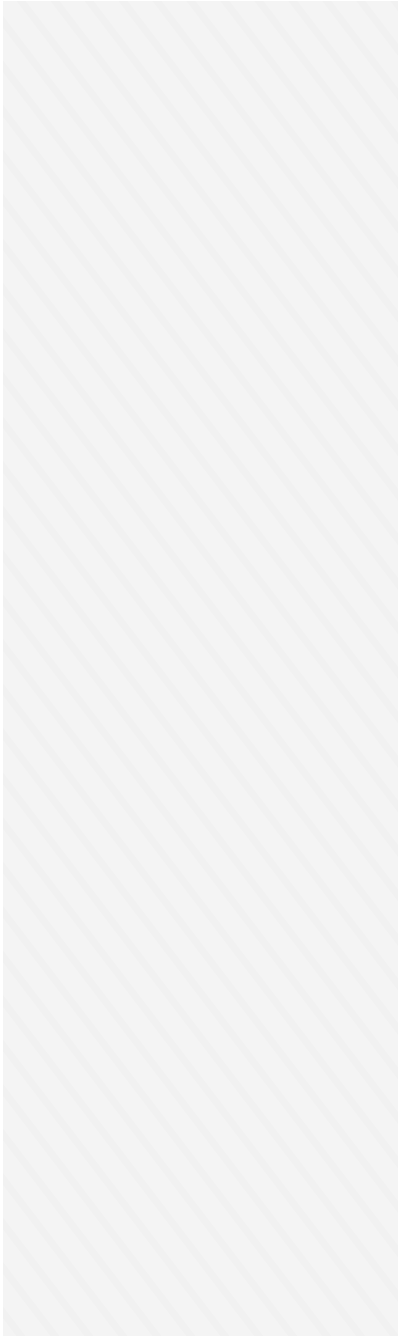
# Annual Report and Financial Statements





# Contents

> Page 3	About Groundwork UK
> Page 4	Chair’s statement
> Page 5	Governance
	> Page 5 How we are organised and governed
	> Page 6 Our commitments
> Page 8	Objectives and public benefit
> Page 9	Strategic report
	> Page 9 Performance overview
	> Page 12 Improving our organisation
	> Page 13 Plans for the future
	> Page 16 Financial results
	> Page 20 Risks and uncertainties
	> Page 21 Trustees’ responsibilities
> Page 23	Independent auditor’s report
> Page 28	Statement of financial activities
> Page 29	Charity balance sheet
> Page 30	Cash flow statement
> Page 31	Notes forming part of the financial statements
> Page 52	Advisers
> Page 53	The Board of Trustees



# About Groundwork UK

**Groundwork is a federation of charities supporting practical action to create a fair and green future in which people, places and nature thrive.**

What this means in practice is delivering green homes, green jobs and green communities: creating and maintaining biodiverse, accessible green spaces; helping people find work that benefits the environment; reducing the waste of energy, food and water; supporting businesses to be more successful and responsible; and empowering communities to take action to improve their health and wellbeing while tackling climate change and promoting nature recovery.

**Groundwork UK** is the central body of Groundwork, responsible for the brand, systems and agreements that hold the federation together. We add value to Groundwork’s local activities by building the organisation’s profile, developing strategic relationships with partners and funders, managing programmes of local Groundwork delivery and furthering Groundwork’s mission by distributing grants to other charities and community groups on behalf of public bodies and private businesses. We act as Groundwork’s national voice in the outside world and help all parts of Groundwork gain the benefits of being in a federation by providing opportunities to collaborate, share ideas and capacity and learn from good practice.

This report outlines the activity, priorities and financial position of Groundwork UK and how it contributes to Groundwork’s collective achievements and impact, more details of which can be found at [www.groundwork.org.uk](http://www.groundwork.org.uk).



# Chair's Statement

My first year as Chair of the Groundwork Federation Board has flown by and been full of stimulation. Travelling around the country to see the results on the ground of the hard work done by trustees, leaders and staff teams from Groundwork Trusts, I have been struck by the passion to improve the circumstances of the people and communities they serve, and by their inventiveness in building partnerships and finding the resources to turn ideas into action.

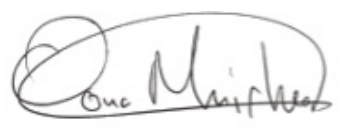
Our work together as a federation over the last 12 months has been positive and purposeful. It has helped all parts of Groundwork to drive forward our collective priorities for action to help our beneficiaries and to support each other so that we have the strength and resilience to flourish within what is undoubtedly a challenging political and funding context.

It's been great to see the expansion of our support to families struggling with the cost of energy through the Green Doctor service, thanks to partners such as the Cadent Foundation, and the growth of our green community hub network. We have committed to a new strategic plan to expand our work supporting people-led nature recovery and have continued to work with partners to identify new ways of helping young people find their way into green jobs.

This has been complemented by our national grant programmes helping schools, community organisations and local charities expand their services and deliver new projects with the help of funding partners including Tesco, Bupa Foundation, HS2, Comic Relief and People's Postcode Lottery. We know how much smaller charities have been impacted by rising costs, reducing their capacity to do valuable work in their communities, so it's been a privilege to be able to support more than 1,000 organisations to improve their energy efficiency through funds provided by DCMS.

When society seems increasingly fractured, Groundwork's founding principle that we should help people and communities come together to improve their economic prospects and their physical and natural surroundings has never been more important. Looking to the future we have clear plans in place to deepen our impact in communities by expanding the reach of our services and building new cross-sector partnerships to drive innovation.

I'd like to thank my fellow trustees for giving their time so generously and all of our funders and partners for helping us deliver greater impact in communities. As Groundwork enters its 45th year, it is in good shape to work with colleagues locally and nationally to support our ambitions for green homes, green jobs and green communities. If you think there's more we can do together we'd love to hear from you.



Oona Muirhead CBE,  
Chair  
18 September 2025

# Governance

## How we are organised and governed

Groundwork UK is a charity and a company limited by guarantee.<sup>1</sup> Its governing documents are its Memorandum and Articles of Association, which were last amended by written resolution on 6 December 2018.

Groundwork Trusts are company members of Groundwork UK. Groundwork Trusts are independent charities and companies sharing the same mission and similar objects to Groundwork UK but delivering in local areas across England, Wales and Northern Ireland. A membership agreement sets out our roles, relationships and behaviours and a federation strategy identifies the work we will do together to deepen our impact and strengthen our organisation.

Groundwork's Federation Board acts both as a forum for Groundwork Trusts to agree collective priorities and as the board of Groundwork UK in accordance with the Charities Act 2011. Members of the Federation Board are also the directors of the company in accordance with the Companies Act 2006. The majority of Federation Board members are nominated by the boards of Groundwork Trusts, with the remainder, including the Chair, recruited independently on account of their skills, experience or networks.

On appointment to the Board the induction process involves an introduction to the role and organisation by the Chair and the CEO.

Those trustees of Groundwork UK who are also trustees of Groundwork Trusts are not considered to be related parties under the definition of the SORP and transactions between Groundwork UK and Groundwork Trusts do not require separate disclosure. Groundwork UK has considered the other disclosure requirements of the SORP and believes that there are no other related party transactions.

Our trustees are responsible for ensuring Groundwork UK is an effective and efficient organisation with appropriate systems, processes and policies in place in relation to the management of funds, programmes, communications and risk.

The work of the Board is supported by three sub-committees:

- > **Programmes & Partnerships** - overseeing the development and management of our grant and local delivery programmes and supporting our work in relation to positioning, communications and fundraising
- > **Finance & Risk** - overseeing our financial management and audit processes, ensuring key risks are mitigated and advising on remuneration
- > **Chairs' Committee** - making urgent decisions between board meetings and assisting with appointments to the Board and recruitment and management of the Chief Executive.

<sup>1</sup> Groundwork UK is the operating name of the Federation of Groundwork Trusts. We will be changing our registered name to Groundwork UK during 2025/26 to reflect commonly used titles.



Decision-making powers of all committees are reflected in a Scheme of Delegation agreed by the Federation Board.

The Board is also supported by a **Federation Executive Team**, comprising the executive leaders of Groundwork Trusts, providing insight on local delivery and risks and driving collective action plans to deliver the objectives in the Groundwork federation strategy.

As a charity committed to supporting young people to play an active role in their communities, we want to ensure that our strategic decision-making and operational plans are informed by the views of young people. **Our Youth Advisory Board** acts as a sounding board for our internal teams and provides a platform for building and supporting a wider network of young people to improve their own lives and neighbourhoods. We also seek regular feedback from community groups we support through our grant programmes, and from other partners and stakeholders to ensure our plans respond to the needs of those they're designed to benefit.

Groundwork UK's Management Team is led by the Chief Executive and includes senior staff members responsible for financial management and corporate services, partnerships and fundraising, policy and communications, grant management and delivery and learning.

Remuneration of key management personnel and all staff is advised upon by the Finance & Risk Committee and subject to Board approval.

## Our commitments

The Board is committed to the principles of good governance set out in the Charity Commission Governance Code and all boards within Groundwork regularly review their performance against this framework.

Our federation strategy sets out the principles which underpin all of our work.

- > **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.

The Groundwork UK staff team has agreed a set of values to inform the way it works and behaves. We are collaborative, responsive, focused on impact and fairness. These values are tested in our recruitment processes and embedded in our arrangements for performance management and reward and recognition.

The Groundwork UK staff team has agreed a set of values to inform the way it works and behaves. We aim to be collaborative and responsive, and prioritise impact and fairness. These values are tested in our recruitment processes and embedded in our arrangements for performance management and reward and recognition.

Our decisions, actions and operations are guided by our sustainable development policy, which sets out how we will contribute to creating a strong and just society living within environmental limits, and how we will monitor and manage our own environmental impact. This is complemented by an annually updated carbon reduction plan setting out the practical steps we will take to minimise emissions.

We have a Groundwork-wide commitment to effective safeguarding and comprehensive complaints and whistleblowing procedures. We provide equal access to our services regardless of people's backgrounds, circumstances or characteristics, monitor levels of diversity within our staff team and board to ensure they reflect the communities of which we are a part and regularly gather feedback from colleagues about our culture, recruitment processes and employment practices to ensure they are inclusive.

Our commitments to safeguarding, EDI and sustainability apply not just to our own organisation, but to the organisations we support through our programmes and grants, with standards and guidance embedded in due diligence, monitoring and feedback processes.

Groundwork UK is registered with the Fundraising Regulator and complies with all relevant codes of practice. All of our fundraising is managed internally and we do not employ commercial participators or professional third-party fundraisers.

More information about our approach and commitments can be found here - [Our approach and commitments - Groundwork](#)

# Objectives and public benefit

Groundwork UK is a public benefit entity, whose primary objective is to provide goods or services for the general public or social benefit and where any risk capital has been provided with a view to supporting that primary objective rather than with a view to a financial return to its members

Groundwork UK’s charitable objectives are set down in its Memorandum of Association. They commit Groundwork UK to delivering and promoting **regeneration** and **sustainable development** as follows.

To conserve, protect and **improve the physical and natural environment** anywhere in the United Kingdom and Republic of Ireland.

- > To **improve quality of life** by providing welfare, recreation or leisure facilities.
- > To advance public **education in environmental matters**.
- > To promote **urban or rural regeneration** in areas of social and economic deprivation through:
  - > the relief of poverty and unemployment
  - > providing education, training or work experience for people who are unemployed
  - > delivering financial assistance, technical assistance, business advice or consultancy in order to help people get back to work
  - > creating training and employment opportunities by providing work space, buildings and land
  - > maintaining or improving public amenities such as footpaths and cycle ways
  - > the preservation of buildings or sites of historic or architectural importance
  - > reclaiming derelict land for use as open space
  - > providing public health facilities and schemes to promote healthier living
  - > alleviating anti-social behaviour and supporting crime prevention.
- > To promote **sustainable development** for the benefit of the public by:
  - > preserving, conserving and protecting the environment
  - > promoting the prudent use of natural resources
  - > improving quality of life in socially and economically disadvantaged communities
  - > promoting sustainable means of achieving economic and social growth and regeneration
  - > educating the public in how to protect and improve the environment.
- > To promote the **efficiency and effectiveness of charities** in helping them deliver their objectives by providing information, advice and assistance.

Groundwork UK’s trustees have referred to the Charity Commission’s general guidance on public benefit when reviewing the organisation’s objectives and planning future activities. In particular, the trustees consider how planned activities will contribute to the charitable objectives set out above.

# Strategic Report for the year ended 31 March 2025

The Board of Trustees presents its report for the year ended 31 March 2025. This includes:

- > Page 3      An introduction to our organisation
- > Page 5-8    Our governance and objectives
- > Page 9-22   Our financial and operational review for the year
- > Page 13     Our plans for the future
- > Page 52-54   Details of our trustees, senior staff and advisers

## 1. Performance overview

The last year has been one of significant challenge but great success for Groundwork UK. We have extended some major funding programmes delivering a wide range of impacts in local communities, successfully completed a number of funded initiatives which have generated considerable learning and built exciting new relationships which will strengthen our ability to meet the needs of our beneficiaries.

### Delivering impact in communities

Our aim at Groundwork UK is to support Groundwork’s mission to deliver green homes, green jobs and green communities by adding value to the activities of Groundwork Trusts and by distributing grants to local charities and community organisations in conjunction with national funding partners.

Supporting Groundwork’s local Green Doctor programmes to help people trapped in fuel poverty continues to be a major part of our work. Our national relationship with the Cadent Foundation continues to strengthen, and this has been accompanied by the development of our collaboration with British Gas as part of the Warm Homes Discount Industry Initiative and ongoing support from the Ofgem Energy Redress Scheme. Last year these and other programmes helped Groundwork Trusts support 19,000 households, providing advice and fitting measures with the potential to generate more than £4m in financial savings.

With our Trusts we have been exploring new ways of sustaining and developing our Green Doctor service, raising public funds through a Radio 4 appeal and identifying opportunities to connect our delivery into government-funded programmes focused on upgrading homes with renewable technologies.

As well as supporting householders, our relationship with DCMS has allowed us to bring the benefits of improved energy efficiency to more than 1,000 local organisations delivering projects and services to help communities impacted by cost-of-living pressures. We have worked closely with partners Locality, CSE, Energy Saving Trust and Social Investment Business to provide independent energy assessments and more than 320 grants for capital improvements. Distributing nearly £20m in grant funding in a very compressed timescale has been a significant challenge in terms of planning and resources but has enabled us to develop new ways of working that will be of benefit to future programmes.

Giving children and young people a strong start in life is the focus of the work we deliver with Tesco, which continues to grow in scale and reach. Last year this included working with partners to help manage a new Fruit & Veg for Schools scheme helping 400 schools in disadvantaged areas buy food to ensure children are healthy and ready to learn.

We are helping community organisations create healthier environments through our Green Community Grants programme supported by the Bupa Foundation, which has been renewed for a further year. We have also been pleased to extend our relationships with Comic Relief and People's Postcode Lottery, acting as their intermediary funders in England to ensure funds are available to smaller organisations.

Since beginning our work as HS2's independent grant manager we have now distributed more than 360 grants totalling c£20m with new habitats for nature and new facilities for communities being created along the length of the London-Birmingham route. This work continues to be well received despite the political uncertainty surrounding the wider HS2 project.

2024/25 saw the completion of several major grant programmes delivered on behalf of central government. After 10 years working in partnership with Locality, we delivered our last grants to groups involved in the MHCLG Neighbourhood Planning programme. We also completed programmes which have helped the Home Office fund projects as part of its Prevent strategy and helped DCMS improve the capacity and reach of uniformed youth organisations. Alongside this we successfully completed delivery of our programme in West Yorkshire supported by the UK Shared Prosperity Fund, funding more than 90 organisations to support around 2,000 people to improve their skills and employability.

The year also saw the culmination of New to Nature, our joint initiative with the National Lottery Heritage Fund to help nearly 100 young people from under-represented backgrounds to benefit from a year's work experience with a nature organisation. We are now focused on using the learning the programme has generated to inform more ambitious plans for helping young people find pathways into the green economy.

The completion of these programmes and the changing nature of government grant giving will require us to remodel our resources and develop and promote a renewed offer to partners and funders, drawing on our deep insight into the needs of community organisations and our ability to connect efficient national systems with local face-to-face support.

We continue to benefit hugely from business partnerships, which allow us to test new ways of working – as we have done with Impax Asset Management, helping young people access green careers, and Unity Trust Bank through a pilot focused on helping charities to improve their energy efficiency and think about carbon reduction. Alongside this we have welcomed more than 2,000 volunteers from a range of businesses – from Centrica to Sopra Steria – providing valuable extra hands to deliver practical improvements to green spaces in local communities. During the year we have developed a new biodiversity impact measurement tool, which will enable us to help companies report the environmental benefit delivered from this work alongside the outcomes for their employees and for communities.

Our work in 2024/25 helped the whole Groundwork federation generate c£120m to deliver projects, programmes and services that improve people's prospects, create better places and protect the planet.

This has included:

- > improving more than 950 green spaces and planting 36,500 trees
- > helping 58,000 people identify savings on their utility bills to the value of nearly £6m
- > supporting 12,800 people to progress into employment, education or training
- > helping households and businesses save in the region of 119,000 tonnes of carbon emissions
- > helping funders distribute 12,000 grants to community organisations to a value of £52.7m.

While our work is primarily focused on driving project delivery at community level, we continue to lead and support activities which share the learning from this local delivery with national and regional policymakers. We have fed the data and insights generated by our Green Doctors into campaigns to combat fuel poverty and to influence the design of the Government's Warm Homes Plan. We have also supported the work of the Independent Commission on Neighbourhoods, which has directly influenced the Government's approach to funding regeneration activity. We have continued to work with New Philanthropy Capital on the Everyone's Environment campaign, and with the National Trust on the development and launch of the Nature Towns and Cities initiative.



## Improving our organisation

Our work to support collaboration and quality within the Groundwork federation remains important to us. Key areas of focus in the last year have been working with senior leaders to develop new training resources and accreditation opportunities for community practitioners and developing a shared plan to progress our ambitions in relation to green skills and jobs.

We have also taken a lead in ensuring the whole of Groundwork lives up to our collective commitment to be 'environmental exemplars', providing support to ensure all Groundwork Trusts have a clear and measurable carbon reduction plan in place and prioritising the development of programmes that contribute to nature recovery.

Groundwork UK's own carbon footprint for 2024/25 was 27.6 tonnes of CO2 equivalent, unchanged from last year. Our carbon reduction plan commits us to promoting more sustainable behaviours within our staff team, particularly in relation to travel and homeworking arrangements to help meet the federation target of halving our collective emissions from our 2019/20 baseline by 2035.

Our people management metrics remain positive with high levels of commitment and satisfaction within the staff team and low levels of absence and staff turnover. Our People Plan is focused on ensuring we are pro-actively supporting our colleagues to develop and progress in their roles and identifying ways to help teams cope with challenging workloads.

Our EDI working group continues to deliver a programme of training and awareness raising activities informed by team-wide surveys and a self-assessment process. We capture and monitor data on the diversity of our staff team and trustees and continue to support the RACE Report, ensuring there is transparency around racial diversity in the environmental sector.

Groundwork UK's gender pay gap stands at 28% (2024: 24%). With the highest earner removed the pay gap is 13%. We continue to address this by providing flexible working arrangements and prioritising internal development opportunities. 31% of all posts recruited over the last three years were filled by an internal candidate progressing into a higher paid role and last year 6 out of 10 team members benefiting from our reward and recognition process were female.

Analysis of all recruitment exercises undertaken in the last three years shows that:

- 60% of applicants for posts offered by Groundwork UK were women and 83% of those recruited were women
- 45% of applicants for posts identified as non-white British with 37% of those recruited identifying as non-white British.

## 2. Our plans for the future

Groundwork UK's plans for the future have been shaped and informed by a number of trends impacting on the policy and funding landscape within which we operate.

- The Labour government has adopted a more positive and pro-active tone towards the voluntary sector, enshrined in a 'civil society covenant', and has launched a number of new strategies of relevance to Groundwork, including a national youth strategy and a consultation on access to nature.
- Beneath this rhetoric, however, the financial context remains challenging with public spending constrained in areas of significant importance to Groundwork. This is exacerbated by world events leading to public funds being diverted for defence and security.
- The National Lottery Heritage Fund and Community Fund are both working to strategies which have a lot of cross-over with Groundwork's priorities, and relationships with both organisations are strong, leading to new opportunities for partnership working.
- National businesses continue to prioritise climate and nature in their ESG goals, though the tough economic climate is making it difficult for some to translate that into investment, and there is evidence some global businesses may be scaling back their ambition, influenced by the tone of debate on social and environmental issues.
- Social value is now embedded as a principle in public sector procurement leading to new opportunities for engaging with businesses tendering for public contracts.
- An ongoing commitment to devolution means that increasing amounts of public spending are being routed through mayors and combined authorities, bringing additional complexity in terms of stakeholder management.
- Advances in technology and the use of AI will require Groundwork UK to adapt its systems and approaches in order to stay competitive, particularly in the field of grant management.
- Political and social polarisation on issues such as net zero and EDI may mean that Groundwork is operating in more contested territory with potential financial and reputational impacts.

How we respond to these opportunities and pressures is also influenced by the ongoing development of the Groundwork federation.

- The finances, structure and governance of the federation are, in the main, strong and stable, though Groundwork's collective resilience will be tested by spending reductions and political change, in particular within local government.
- Levels of collaboration within the federation are high, leading to widespread sharing of delivery models and management approaches and significant cross-boundary working.
- The winding down of some strategic funding streams, such as the UK Shared Prosperity Fund, will require some parts of the federation to adjust and find other routes to support delivery, particularly in relation to employment and skills provision.
- There is a clear drive within the federation to collaborate on the development and delivery of collective action plans linked to goals in our federation strategy and aimed at opening up new funding streams and investment models.
- Delivering our strategic priorities will require coordination and leadership, with an expectation that Groundwork UK invests in capacity which can be deployed on behalf of the federation.
- The federation is becoming better connected and more secure in terms of its use of systems and technology, but there is more work to do to maximise the benefit of data and minimise risk in relation to cybersecurity.

### Groundwork UK's strategy and priorities

In order to ensure Groundwork UK's activities are fully aligned with the needs and expectations of the federation, our future plans are clearly and explicitly driven by Groundwork's 2028 strategy for collective action.

Groundwork UK's purpose, in line with the federation strategy, is to deliver practical action to create a fair and green future in which people, places and nature thrive, achieving this in three ways:

- **helping people improve their prospects** - increasing confidence, skills, wellbeing and employability and helping those out of work find jobs in the green economy
- **helping people create better places** - making communities greener, healthier and better prepared for the future and enabling people to work together to bring about change in their local area
- **helping people protect the planet** – supporting people and businesses to reduce their carbon footprint, cut waste and take practical action to combat the climate and nature emergencies.

We have identified four objectives to take forward as a team to support delivery of the strategy. We will:

- support Groundwork's local delivery through pro-active national programme development focused on green homes, green jobs and green communities
- deliver Groundwork's mission by distributing grants to community organisations
- drive programme development and fundraising by building our visibility and credibility through coordinated, story-led campaigns
- build Groundwork's reputation, income and impact by facilitating networking, learning and innovation across the federation.

Our progress against these objectives will be reported quarterly to:

- the Federation Executive Team – to ensure that we are meeting the expectations of our federation members
- our Federation Board, through its Programmes & Partnerships and Finance & Risk committees – who are responsible for ensuring Groundwork UK is a robust, high performing organisation
- our staff team – so that everyone in the organisation can see the contribution they make to delivering our plans and the Groundwork strategy.

We will track core sets of data to help us manage our organisation and ensure we are meeting the needs of our beneficiaries and other stakeholders, including:

- the impact of our local delivery and grant programmes, and their performance against KPIs agreed with funders and partners
- the reach and impact of our communications activity through PR, social media, digital marketing and policy networking
- levels of engagement and satisfaction with our programmes of internal networking, learning and collaboration
- the financial performance of our organisation, ensuring that we can invest in the resources we need to deliver our mission and support the federation.



### 3. Financial results

Our long-term financial strategy is unchanged. We aim to maximise the resources available for local delivery (by minimising our costs and generating income), while maintaining the capacity we need to operate effectively and safely. Achieving a surplus position at the end of the year ensures we maintain sufficient reserves to sustain our charitable operations while being able to invest in activities that benefit the federation.

Incoming resources for 2024/25 totalled £48.7 million (2024: £21.3 million). Our organisational turnover is heavily influenced by the volume of grants we distribute on behalf of other funders and in the last 12 months we have been delivering a major programme for DCMS to distribute funding to community organisations to enable them to improve the energy efficiency of their buildings, which has generated a significant turnover increase. This was a short-term initiative and we expect turnover levels to return to more customary levels in future years.

These year-to-year fluctuations in grant funds are not considered to be the determining factor in our assessment of financial health. Our underlying trading performance resulted in an unrestricted surplus of £286k (2024: £81k), compared to a budget of break even. The final reported outturn includes a £33k decrease in the value of our investments.

In addition to this income, we received funds and distributed grants totalling £3.1 million, funds for which we are responsible as agent for the funder, but which are not included in our stated turnover.

#### 3.1 Reserves

In line with our financial strategy, our trustees have agreed that we should aim to hold 12 months operating costs (c£3 million) in liquid reserves. These reserves help us to:

- > absorb short term setbacks such as loss or delays in funding
- > retain experienced staff in the event of there being funding gaps in between programmes
- > maintain working capital where programmes are retrospectively funded
- > invest in new functionality to improve our effectiveness, efficiency or income generation capability
- > set aside funds for capital assets such as ICT equipment.

Our reserves policy recognises the need to operate as a responsible charity, maintaining trust with our partners and the public by not generating surpluses for which there is no future requirement or that are used for purposes which are not directly connected to our charitable aims.

Our level of free liquid reserves at the end of 2024/25 is £3.1 million.

Our restricted funds - advance payments from funders pending completion of project work – stand at £3.9 million (2024: £1.2 million). These restricted funds can only be used in accordance with agreements reached with funders and do not form part of the general reserves that are under the control of the trustees. These funds will all be distributed during 2025/26.

#### 3.2 Investments

The majority of the funds obtained by Groundwork UK are for the delivery of specified projects and are therefore restricted. These funds are mainly distributed to Groundwork Trusts and other delivery partners operating under contract or to third party organisations in the form of grants to support local community projects. Any funds that are built up in advance of expenditure are kept as liquid as possible, whilst making every effort to maximise returns.

Cash that is unrestricted in nature and is not required in the short term (regarded as six months) is considered for long-term investment. We invest these funds in an ethically responsible managed fund arrangement with Cazenove, which chooses investments having a positive impact on people and planet, with the long-term aim of guarding against the eroding effects of inflation by growing in line with the CPI and providing a reliable dividend income. In the last year, our investments reduced in value by £33k (1.6%) and delivered dividend income of £57k. All of these funds can be converted into cash without notice or penalty, should there be an immediate need for liquid funds.

#### 3.3 Grant making policy

Groundwork UK delivers its mission primarily by distributing funds to Groundwork Trusts, other delivery partners and to community groups in the form of grants. Grants paid are accounted for as soon as award decisions are made. If an offer is conditional on events outside the grantee's control and it is possible (but not probable) that an outflow of economic benefits will arise, such amounts are recognised as contingent liabilities until the grant conditions are fulfilled. CPI and providing a reliable dividend income. In the last year, our investments reduced in value by £33k (1.6%) and delivered dividend income of £57k. All of these funds can be converted into cash without notice or penalty, should there be an immediate need for liquid funds.

3.4 Principal funding sources

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

- > **Private sector** - £15.8 million (2024: £12.3 million)  
This includes funds provided by businesses and private foundations, including £8.9 million from Tesco to provide grants to schools and local community organisations, £1.8 million from the Cadent Foundation to support the delivery of Green Doctor programmes and £662k from the Bupa Foundation to help local groups improve community green spaces.
- > **Public sector** - £28.8 million (2024: £3.5 million)  
This relates to funding secured from government departments and other public bodies to deliver programmes and services. In 2024/25 we have been managing the VCSE Energy Efficiency Scheme on behalf of DCMS, which has seen us distribute £18.3 million in grants to community organisations. Other major programmes have been delivered on behalf of MHCLG, Home Office and the West Yorkshire Combined Authority.
- > **Lottery and charitable foundations** - £3.7 million (2024: £5.1 million)  
This includes £865k distributed to community groups on behalf of Comic Relief and the People's Postcode Lottery.



3.5 Expenditure on charitable objectives

Our expenditure in the year was directed towards the following charitable activities.

- > **Community grants** - £32.8 million (2024: £14.2 million)  
Distributing funds on behalf of third parties to enable schools, community groups and local charities to deliver projects that improve local areas, tackle hardship and provide support to those who are vulnerable.
- > **Programme delivery** - £6.0 million (2024: £5.7 million)  
Providing resources to support local delivery by Groundwork Trusts and other partner organisations through funded programmes to support green homes, green jobs and green communities.
- > **Programme management** - £1.6 million (2024: £1.4 million)  
The costs of managing grant distribution and local delivery programmes, including reporting impact and generating learning from our delivery to improve practice and influence future policy.
- > **Fundraising and communications** - £471k (2024: £401k)  
The cost of generating resources to support local delivery through campaigns, communications and bidding activities.
- > **Supporting our federation** - £131k (2024: £280k)  
Providing support to enable Groundwork Trusts to communicate, share knowledge and collaborate to achieve greater impact.
- > **Running our organisation** - £625k (2024: £313k)  
Ensuring Groundwork UK operates safely and efficiently with appropriate systems, quality standards and premises.



## 4. Risks and uncertainties

Our trustees are responsible for ensuring that Groundwork UK has processes and policies in place to identify and mitigate risks that might impact on the organisation's ability to operate safely and effectively.

Risk management is an integral part of the way in which Groundwork UK manages its programmes, partnership development and communications, with key risks discussed on a regular basis by managers.

The most significant organisational risks are discussed quarterly with our Finance & Risk Committee and shared with the Federation Board. This includes consideration of risks that arise in the wider federation which might bring reputational or financial consequences for Groundwork UK.

Given our role as a distributor of small grants to community organisations we are particularly conscious of the risk of fraud and undertake regular reviews of our due diligence and monitoring processes. The controls we have in place to prevent and mitigate fraud more generally are discussed with our trustees.

The most significant ongoing risks for which we have active mitigation strategies in place are as follows:

- an ICT failure or cybersecurity incident that leads to loss of data or capability leading to financial penalties and/or reputational damage – we use tried and tested commercial systems with full support and backup, undertake regular staff training and our data is housed within Microsoft's cloud environment, which provides an additional layer of protection
- changes in the political or policy environment which have a sudden and detrimental impact on our ability to secure resources or deliver our purpose – we actively monitor political events and have experience of adapting our messaging and delivery to ensure we can continue to address the needs of our beneficiaries
- the unexpected withdrawal or clawback of funding from a major partner arising from a failure to meet targets or comply with funding requirements or simply due to changed priorities – we prioritise customer service, receiving excellent stakeholder feedback, and our fundraising strategy is focused on diversifying our income base to mitigate reliance on a small number of funders
- a serious safeguarding, health and safety or fraud incident occurring on a programme managed by Groundwork UK and the impact this could have both on those involved and on our reputation – we undertake robust due diligence of grantees and delivery partners and have escalation processes in place to ensure any issues can be dealt with quickly.

Groundwork UK's financial risk management objective is broadly to seek to make neither profit nor loss from exposure to currency or interest rate risks. Our policy is to finance fixed assets and working capital through retained reserves.

## 5. Statement of trustees' responsibilities

Our trustees are responsible for preparing Groundwork UK's Annual Report and Financial Statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

Our trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and taking reasonable steps to prevent and detect fraud and other irregularities.

These financial statements are published on our website in accordance with UK legislation governing the preparation and dissemination of financial statements. The maintenance and integrity of the website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements published.



Events after the year end

There have been no material events after the year end to report.

Disclosure of information by the trustees to the auditor

Each of the trustees has confirmed that, so far as they are aware, there is no relevant audit information of which Groundwork UK’s auditor is unaware, and that they have taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that Groundwork UK’s auditor is aware of that information.

Signed on behalf of the Board of Trustees

Oona Muirhead CBE, Chair  
18 September 2025



Independent Auditor’s Report to the Members of The Federation of Groundwork Trusts

Opinion

We have audited the financial statements of The Federation of Groundwork Trusts for the year ended 31 March 2025, which comprise statement of financial activities, balance sheet, 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 its incoming resources and application of resources, including its income and expenditure for the year then ended;
- > have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- > have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 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 and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- > the strategic report 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 its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors’ report included within the trustees’ report.

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

- > adequate 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

Responsibilities of trustees

As explained more fully in the trustees’ responsibilities statement set out on [page 21](#), 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.

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](http://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 charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements.

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 for fraud.

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 recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, designing audit procedures over income, 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 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 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: 22 December 2025



Statement of Financial Activities

FOR THE YEAR ENDED 31 MARCH 2025

		2025		2025	2024
		Unrestricted funds		Total	Total
	Note	General	Designated		
		£	£	£	£
INCOME FROM					
Donations and legacies	2	68,212	-	68,212	24,397
Charitable activities	3	7,235,643	-	41,024,648	48,260,291
Other trading activities	2	150,945	-	150,945	150,928
Investments	2	261,719	-	261,719	210,049
Total		7,716,519	-	41,024,648	48,741,167
EXPENDITURE ON					
Raising funds	4	24,281	-	137,669	161,950
Charitable activities	5	7,264,975	161,205	38,145,165	45,571,345
Total		7,289,256	161,205	38,282,834	45,733,295
Surplus or (Deficit) on Trading		427,263	(161,205)	2,741,814	3,007,872
Net (losses) or gains on investment	11	(32,600)	-	(32,600)	119,276
Net income		394,663	(161,205)	2,741,814	2,975,272
Transfers between funds		(108,761)	108,761	-	-
Net movement in funds		285,902	(52,444)	2,741,814	2,975,272
RECONCILIATION OF FUNDS					
Fund balances brought forward	16	2,380,420	482,730	1,175,666	4,038,816
Fund balances carried forward	16	2,666,322	430,286	3,917,479	7,014,087

Incoming resources and resources expended derive from continuing operations. The company has no other recognised gains or losses other than those passing through the statement of financial activities. The notes pages 31 to 51 form part of these financial statements.

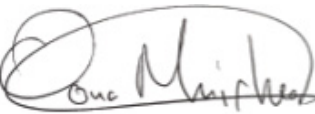
Charity Balance Sheet

AT 31 MARCH 2025

Company registration number  
01900511

	Note	2025		2024
		£	£	£
FIXED ASSETS				
Tangible assets	9		10,797	10,969
Investments	11		2,038,200	2,070,800
Investments in subsidiaries	10		3	3
			2,049,000	2,081,772
CURRENT ASSETS				
Debtors		7,251,071		9,288,605
Cash at bank	12	7,863,364		4,231,497
		15,114,435		13,520,102
Creditors: amounts falling due within one year	13	(10,129,348)		(11,553,058)
Net Current Assets			4,985,087	1,967,044
Total assets less current liabilities			7,034,087	4,048,816
Creditors: amounts falling due after one year	18		(20,000)	(10,000)
NET ASSETS			7,014,087	4,038,816
RESERVES				
Unrestricted - General	16		2,666,322	2,380,420
Designated	16		430,286	482,730
Restricted	16		3,917,479	1,175,666
			7,014,087	4,038,816

These financial statements were approved by the Board of Trustees and authorised for issue on 18 September 2025 and signed on its behalf by:



Oona Muirhead, Chair

18 September 2025

The notes pages 31 to 51 form part of these financial statements.

# Cash Flow Statement

FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 £	2024 £
<strong>CASH FLOW FROM OPERATING ACTIVITIES</strong>			
Net cash provided by operating activities	21	3,379,292	(1,266,014)
<strong>CASH FLOWS FROM INVESTING ACTIVITIES</strong>			
Dividends, interest and rents from investments		261,719	210,049
Purchase of fixed assets		(9,144)	(7,235)
<strong>NET CASH PROVIDED BY INVESTMENT ACTIVITIES</strong>		252,575	202,814
<strong>CASH FLOWS FROM FINANCING ACTIVITIES</strong>			
Change in cash and cash equivalents in the reporting period		3,631,867	(1,063,199)
<strong>Cash and cash equivalents at the beginning of the reporting period</strong>		4,231,497	5,294,696
<strong>Cash and cash equivalents at the end of the reporting period</strong>		7,863,364	4,231,497

## Movement in Net Debt

At	1 April 2024 £	Cash flows £	31 March 2025 £
Cash at bank and in hand	4,231,497	3,631,867	7,863,364
Debt due within 1 year	-	-	-
Debt due over 1 year	-	-	-
	4,231,497	3,631,867	7,863,364

The notes on pages 31 to 51 form part of these financial statements.

# Notes forming part of the financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 1. Accounting policies

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

### a) Basis of preparation

The financial statements have been prepared under the historical cost convention and comply with the Companies Act 2006. The financial statements have been prepared in accordance with applicable Accounting Standards and comply with the requirements of the Statement of Recommended Practice, “Charities SORP (FRS 102)”.

The trustees and senior management consider that there are no material uncertainties about the charity’s ability to continue as a going concern.

The results of acquisitions are accounted for from the relevant date of acquisition under the acquisition method of accounting.

Accounting policies are supplemented by estimation techniques where judgement is required in measuring the value of income and expenditure and of assets and liabilities.

### b) Grants and other income

Revenue and capital-based grants are credited to the statement of financial activities in the year in which they are received or become receivable under the terms of a grant agreement.

Where grants are considered to be performance related, income is recognised to the extent that the services outlined in the funding agreement had been performed by the year end. Where income has been received but the related services had not been performed by the year-end, the balance is carried forward as deferred income.

Donations are accounted for on a cash received basis. Rental income is recognised in the period to which it relates.

Incoming resources have been allocated between the key strategic areas of activity on a basis consistent with the allocation of expenditure (note 1(d)).

**c) Grants payable**

Grants offered to Groundwork Trusts and other organisations are typically paid in stages, with stage payments dependent upon the submission of claims detailing the work that has been completed. Claims which fall due within the year, which relate to work completed before the year-end, have been accrued for if they had not been paid during the year.

All grants payable relate to institutional grants paid to Groundwork Trusts, delivery partners and community groups.

The detailed breakdown of all grant payments is available on request from the charity's principal address.

**d) Expenditure**

All expenditure is accounted for on an accruals basis and has been listed under headings that aggregate all the costs related to that activity. Where costs cannot be directly allocated, they have been allocated to activities on a basis consistent with the use of resources.

Costs of raising funds relate to the cost of external promotion and publicity to raise the profile of the charity and its objectives and costs associated with bids for funding.

Direct costs of charitable activities are those costs, which have been expended on delivery programmes. Support costs have been allocated to the key strategic areas of activity on the basis of the percentage of staff time spent on each of these areas.

**e) Funds**

Unrestricted funds are those which are available for use at the discretion of the Board of Trustees in furtherance of the general objectives of the charity. The Board may, at its discretion, set aside unrestricted funds for specific future purposes and these are referred to as designated funds. Where such funds are no longer required for the intended purposes they are released back to general unrestricted reserves.

Restricted funds are those which can only be used for purposes specified by the donor, or which have been raised under the terms of a specific bid. Expenditure under the terms of the grant agreement is shown as restricted expenditure.

**f) Depreciation**

Tangible fixed assets are stated at cost less provision for depreciation. Depreciation is calculated so as to write off the cost less the estimated residual value of tangible fixed assets by equal annual instalments over their estimated useful economic lives as follows:

Leasehold buildings: 50 years

Office equipment: 4 years

Computer equipment: 3 years

**g) Pensions**

The company contributes to two defined contribution schemes. Contributions are charged to the statement of financial activities as they become payable.

**h) Operating leases**

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

**i) Provisions**

Provisions for future liabilities are recognised when the charity has a legal or constructive obligation that can be reliably estimated and for which there is an expectation that payment will be made.

**j) Fixed asset investments**

Investments held are valued at market value. Unrealised gains and losses on the revaluation of investments are recognised in the statement of financial activities.

**k) Key judgements**

Grant awards are recognised as soon as awards are made at grant panels.

**l) Public Benefit Entity**

The company is a public benefit entity, whose primary objective is to provide goods or services for the general public or social benefit and where any risk capital has been provided with a view to supporting that primary objective rather than with a view to a financial return to its members.



2. Incoming resources from generated funds

	2025 Unrestricted	2025 Designated	2025 Restricted	2025 Total
	£	£	£	£
<b>VOLUNTARY INCOME</b>				
Donations and gifts	68,212	-	-	68,212
	68,212	-	-	68,212
<b>OTHER TRADING ACTIVITIES</b>				
Membership Fee	150,000	-	-	150,000
Car Parking	945			945
	150,945	-	-	150,945
<b>INVESTMENT INCOME</b>				
Dividends	57,305	-	-	57,305
Bank interest	204,415	-	-	204,415
	261,719	-	-	261,719
	2024 Unrestricted	2024 Designated	2024 Restricted	2024 Total
	£	£	£	£
<i>VOLUNTARY INCOME</i>				
<i>Donations and gifts</i>	24,397	-	-	24,397
	24,397	-	-	24,397
<i>OTHER TRADING ACTIVITIES</i>				
<i>Membership Fee</i>	150,000	-	-	150,000
<i>Car Parking</i>	928	-	-	928
	150,928	-	-	150,928
<i>INVESTMENT INCOME</i>				
<i>Dividends</i>	65,113	-	-	65,113
<i>Bank interest</i>	144,936	-	-	144,936
	210,049	-	-	210,049

3. Incoming resources from charitable activities

	2025 Unrestricted	2025 Designated	2025 Restricted	2025 Total
	£	£	£	£
<b>Income for project delivery was secured from the following sources:</b>				
Central government	1,351,629	-	21,725,171	23,076,800
Local authorities	0	-	2,370,837	2,370,837
Public agencies	693,133	-	2,619,633	3,312,766
Private sector	4,679,421	-	11,145,787	15,825,208
National Lottery and charitable foundations	511,460	-	3,163,220	3,674,680
	7,235,643	-	41,024,648	48,260,291
<b>Income was allocated to:</b>				
Grant distribution	5,844,285	-	33,135,930	38,980,215
Programme delivery	946,687	-	5,367,523	6,314,210
Programme management	249,833	-	1,416,504	1,666,337
Federation support	20,770	-	117,761	138,531
Fundraising and communications	74,756	-	423,854	498,610
Running Groundwork UK	99,312	-	563,076	662,388
	7,235,643	-	41,024,648	48,260,291

### Incoming resources from charitable activities (continued)

	2024 Unrestricted	2024 Designated	2024 Restricted	2024 Total
<b>Income for project delivery was secured from the following sources:</b>	£	£	£	£
Central government	587,851	–	138,485	726,336
Local authorities	28,071	–	17,613	45,684
Public agencies	441,362	–	2,286,895	2,728,257
Private sector	3,939,983	–	8,399,635	12,339,618
National Lottery and charitable foundations	494,815	–	4,586,910	5,081,725
	<hr/> 5,492,082 <hr/>	<hr/> – <hr/>	<hr/> 15,429,538 <hr/>	<hr/> 20,921,620 <hr/>
<b>Income was allocated to:</b>				
Grant distribution	3,500,101	–	9,833,237	13,333,338
Programme delivery	1,408,775	–	3,957,835	5,366,610
Programme management	338,724	–	951,617	1,290,341
Federation support	68,869	–	193,480	262,349
Fundraising and communications	98,729	–	277,372	376,101
Running Groundwork UK	76,884	–	215,997	292,881
	<hr/> 5,492,082 <hr/>	<hr/> – <hr/>	<hr/> 15,429,538 <hr/>	<hr/> 20,921,620 <hr/>

For definitions of the above categories, see section 3.5 of the strategic report

## 4. Cost of raising funds

	2025 Unrestricted	2025 Designated	2025 Restricted	2025 Total
	£	£	£	£
Staff costs	20,734	–	117,558	138,292
Other costs	3,547	–	20,111	23,658
	<u>24,281</u>	<u>–</u>	<u>137,669</u>	<u>161,950</u>
	2024 Unrestricted	2024 Designated	2024 Restricted	2024 Total
	£	£	£	£
Staff costs	65,658	–	184,459	250,117
Other costs	10,219	–	28,710	38,929
	<u>75,877</u>	<u>–</u>	<u>213,169</u>	<u>289,046</u>

5. Charitable activities

	2025 Unrestricted	2025 Designated	2025 Restricted	2025 Total
	£	£	£	£
<b>Expenditure on projects related to the following activities:</b>				
Grant Distribution	5,867,977	130,206	30,810,149	36,808,333
Programme delivery	950,524	21,091	4,990,782	5,962,397
Programme management	250,846	5,566	1,317,081	1,573,493
Federation support	20,854	463	109,496	130,812
Fundraising and communications	75,059	1,666	394,104	470,829
Running Groundwork UK	99,714	2,213	523,555	625,482
	7,264,975	161,205	38,145,165	45,571,345

	2025 Grants payable	2025 Other direct costs of activities	2025 Support costs	2025 Total
	£	£	£	£
<b>Expenditure on projects comprised:</b>				
Grant Distribution	32,803,709	3,057,017	947,606	36,808,332
Programme delivery	5,313,708	495,191	153,498	5,962,397
Programme management	1,402,302	130,682	40,509	1,573,493
Federation support	116,580	10,864	3,368	130,812
Fundraising and communications	419,605	39,103	12,121	470,829
Running Groundwork UK	557,431	51,948	16,103	625,482
	40,613,335	3,784,805	1,173,205	45,571,345

Charitable activities (continued)

	2024 Unrestricted	2024 Designated	2024 Restricted	2024 Total
	£	£	£	£
<b>Expenditure on projects related to the following activities:</b>				
Grant Distribution	3,644,095	31,986	10,558,617	14,234,698
Programme delivery	1,466,732	12,874	4,249,797	5,729,403
Programme management	352,659	3,095	1,021,816	1,377,570
Federation support	71,702	629	207,753	280,084
Fundraising and communications	102,791	902	297,833	401,526
Running Groundwork UK	80,048	704	231,931	312,683
	5,718,027	50,190	16,567,747	22,335,964

	2024 Grants payable	2024 Other direct costs of activities	2024 Support costs	2024 Total
	£	£	£	£
<b>Expenditure on projects comprised:</b>				
Grant Distribution	11,157,306	2,453,016	624,376	14,234,698
Programme delivery	4,490,767	987,328	251,308	5,729,403
Programme management	1,079,755	237,392	60,424	1,377,571
Federation support	219,533	48,266	12,285	280,084
Fundraising and communications	314,720	69,194	17,612	401,526
Running Groundwork UK	245,083	53,884	13,715	312,682
	17,507,164	3,849,080	979,720	22,335,964



Charitable activities (continued)

	Grants to institutions	Grants to individuals	Grant support costs	2025 Total
	£	£	£	£
Analysis of grants				
Creating better places	9,386,719	–	271,156	9,657,875
Improving peoples prospects	10,091,876	–	291,526	10,383,402
Promoting greener living and working	21,134,740	–	610,523	21,745,263
	40,613,335	–	1,173,205	41,786,540

There are no grants made to institutions which are material in the context of the grant making.

	Grants to institutions	Grants to individuals	Grant support costs	2024 Total
	£	£	£	£
Analysis of grants				
Creating better places	4,920,481	–	275,356	5,195,837
Improving peoples prospects	7,236,708	–	404,974	7,641,682
Promoting greener living and working	5,349,975	–	299,390	5,649,365
	17,507,164	–	979,720	18,486,884

	2025	2024
	£	£
Support costs are analysed as follows:		
Staff costs	912,271	709,810
Temporary staff and recruitment	1,787	3,071
Legal and professional	36,708	33,062
Travel and subsistence	27,385	8,650
Training and meetings	24,422	17,783
IT support	48,214	90,800
Other costs	122,418	116,544
	1,173,205	979,720

6. Employees

	2025	2024
	Number	Number
The average monthly number of employees during the year was as follows:		
Programme management	39	37
Management and administration	5	5
Fundraising and communications	13	12
	57	54

	2025	2024
	£	£
The aggregated cost of these persons was as follows:		
Wages and salaries	1,930,759	1,758,417
Social security costs	198,166	177,050
Pension costs (see note 19)	299,641	289,556
	2,428,566	2,225,023

	2025	2024
	£	£
The emoluments of employees (excluding pension contributions) over £60,000 per annum are disclosed in £10,000 bands as follows:		
£60,000 - £70,000	2	2
£80,000 - £90,000	1	1
	3	3

The key senior management personnel of the charity are the Chief Executive Officer, Director of Finance and Corporate Services, Director of Partnerships and Programmes, Head of Contracts, Head of Policy and Communications and Head of Grants with a total cost in 2025 of £432,802 (2024 - £369,717)

Total contributions under defined contribution schemes on behalf of these higher paid employees in 2025 were £29,020 (2024 - £24,780)

## 7. Transactions with trustees

During the year ending 31st March 2025 6 trustees were reimbursed for travel costs amounting to £846 (2024 - 2 trustees £825 travel costs).

No Trustees received any remuneration during the year.

## 8. Net incoming resources

	2025	2024
	£	£
Net incoming resources for the year is stated after charging:		
Auditor’s remuneration:		
Audit – company	18,600	17,385
Depreciation	9,317	16,381

Premiums in 2025 £647 (2024: £699) were paid on a professional indemnity policy to protect the charity and trustees from loss arising from neglect or defaults of trustees.

## 9. Tangible assets

	Office equipment	Total
	£	£
COST OR VALUATION		
At 1 April 2024	78,450	78,450
Additions	9,145	9,145
At 31 March 2025	87,595	87,595
DEPRECIATION		
At 1 April 2024	67,481	67,481
Charged for the year	9,317	9,317
At 31 March 2025	76,798	76,798
NET BOOK VALUE		
At 31 March 2025	10,797	10,797
At 31 March 2024	10,969	10,969

## 10. Investments held as fixed assets

	Shares in subsidiary undertakings
	£
COST	
At 1 April 2024	3
Disposals	-
At 31 March 2025	3

NAME	Nature of business registration	Country of registration	Class of shares held	Proportion
Groundwork Trade Association Ltd	Dormant	England	Ordinary	100%
Groundwork Enterprises Ltd	Dormant	England	Ordinary	100%
Groundwork UK Ltd	Dormant	England	Ordinary	100%

	2025	2024
	£	£
SUBSIDIARY UNDERTAKING		
Groundwork Trade Association Ltd	4,000	4,000
Groundwork Enterprises Ltd	25,002	25,002
Groundwork UK Ltd	1	1

## 11. Fixed asset investments

	£
VALUATION	
At 1 April 2024	2,070,800
Investments	-
Net loss on revaluation	(32,600)
At 31 March 2025	2,038,200

Investments are held in a managed mixed fund, which is designed to deliver a return of between 3% and 4% above the Consumer Price Index, over a rolling three-year period.

12. Debtors

	2025	2024
	£	£
Grants receivable	1,220,165	2,142,454
Other debtors	100,000	335
Prepayments and accrued income	5,930,906	7,145,816
	7,251,071	9,288,605

13. Creditors

	2025	2024
	£	£
Grants due and payable	7,194,370	8,690,487
Agency creditor	148,154	768,065
Social security and other taxes	59,788	43,803
Other creditors	775,696	117,802
Accruals	1,379,254	1,237,793
Deferred income (note 14)	572,086	695,108
	10,129,348	11,553,058

	Balance at 1 April 2024	Amount paid in year	Amount accrued in the year	Balance at 31 March 2025
	£	£	£	£
Grants due and payable	8,690,487	5,616,472	4,120,355	7,194,370
Agency creditor	768,065	3,119,911	2,500,000	148,154

	Balance at 1 April 2023	Amount paid in year	Amount accrued in the year	Balance at 31 March 2024
	£	£	£	£
Grants due and payable	11,312,641	8,487,412	5,865,258	8,690,487
Agency creditor	1,663,104	2,947,789	2,052,750	768,065

14. Deferred income

	Balance at 1 April 2024	Amount released to incoming resources	Amount deferred in the year	Balance at 31 March 2025
	£	£	£	£
Movements in deferred income during the year were as follows:				
Community projects	695,108	695,108	572,086	572,086

	Balance at 1 April 2023	Amount released to incoming resources	Amount deferred in the year	Balance at 31 March 2024
	£	£	£	£
Community projects	822,098	822,098	695,108	695,108

Income is deferred where it is linked to milestones in future periods.



15. Analysis of net assets

	Unrestricted funds	Restricted funds	Total 2025
	£	£	£
Tangible fixed assets	10,797	-	10,797
Investments	2,038,203	-	2,038,203
Net current assets	1,067,608	3,917,479	4,985,087
Provision for liabilities	(20,000)	-	(20,000)
	3,096,608	3,917,479	7,014,087
	Unrestricted funds	Restricted funds	Total 2024
	£	£	£
Tangible fixed assets	10,969	-	10,969
Investments	2,070,803	-	2,070,803
Net current assets	791,378	1,175,666	1,967,044
Provision for liabilities	(10,000)	-	(10,000)
	2,863,150	1,175,666	4,038,816

16. Statement of funds

	Designated fund	General fund	Total
	£	£	£
UNRESTRICTED FUNDS			
At 1st April 2024	482,730	2,380,420	2,863,150
Incoming resources	-	7,716,519	7,716,519
Resources expended	(161,205)	(7,289,256)	(7,450,461)
Transfers	108,761	(108,761)	-
Loss on investment	-	(32,600)	(32,600)
At 31 March 2025	430,286	2,666,322	3,096,608

Statement of Funds (continued)

	Designated fund £	General fund £	Total £
UNRESTRICTED FUNDS			
At 1 April 2023	411,305	2,299,207	2,710,512
Incoming resources	-	5,877,456	5,877,456
Resources expended	(50,190)	(5,793,904)	(5,844,094)
Transfers	121,615	(121,615)	-
Surplus on investments	-	119,276	119,276
At 31 March 2024	482,730	2,380,420	2,863,150

Designated funds include £80k to support strategic objectives across the Groundwork federation, £50k to fund staff training and development, £95k to support on-going programmes in 2025-26 and £205k to seed fund new programmes that align to federation strategic objectives.

	Balance at 1 April 2024 £	Incoming resources £	Resources expended £	Balance at 31 March 2025 £
Restricted funds comprise performance related grants as follows:				
RESTRICTED FUNDS				
British Gas Trading Ltd	-	1,019,245	(998,134)	21,111
Bupa	58,890	602,930	(607,629)	54,191
Tesco Community Grants	-	8,906,969	(8,906,969)	-
HS2 Grants	-	2,619,633	(2,619,634)	-
Comic Relief	39,855	756,731	(535,199)	261,387
Cadent Foundation	469,198	1,305,632	(1,162,594)	612,236
DCMS - Energy Efficiency Scheme	-	20,977,436	(18,300,738)	2,676,698
Home Office	91,517	747,735	(824,229)	15,023
Onestop Carriers For Causes	72,744	219,616	(270,211)	22,149
Peoples Post Code Lottery	-	330,362	(330,307)	55
Redress - Energy Efficiency Scheme	(24,019)	353,227	(329,208)	-
The National Lottery Community Fund	30,912	-	(30,912)	-
The National Lottery Heritage Fund	18,533	621,746	(482,497)	157,782
West Yorkshire Combined Authority	-	2,363,812	(2,363,812)	-
Other programmes	418,036	199,574	(520,762)	96,847
	1,175,666	41,024,648	(38,282,835)	3,917,479

Large programmes include:

British Gas Trading Ltd	Supporting vulnerable energy customers with advice and energy saving measures
Bupa	Bupa Foundation Green Community Grants support practical projects which help both people and planet health
Tesco Community Grants	Grants to fund local community projects, voted for by Tesco customers
HS2 Grants	Grants to organisations to mitigate the disruption of HS2 construction
Comic Relief	Grant funding to community led organisations to support capacity building and project delivery
Cadent Foundation	Funding for energy efficiency advice and measures to vulnerable households, delivered by Groundwork 'Green Doctors'
DCMS - Energy Efficiency Scheme	Grants to Community organisations to improve energy efficiency
Home office	Supports Local authorities (LA) in their work with communities to build resilience to radicalisation
One Stop Carriers for Causes	Grants to fund local community projects in areas close to One Stop stores
Peoples Post Code Lottery	Grassroots Grants provides unrestricted funding of up to £2,000 for small, local organisations in England who are making a positive difference in their communities
Redress - Energy Efficiency Scheme	Support to vulnerable customers to reduce energy bills
The National Lottery Heritage Fund	Work placements in the green job sector aimed at participants from diverse backgrounds
West Yorkshire Combined Authority	Supporting people furthest from the labour market to improve employability prospects

	Balance at 1 April 2023	Incoming resources	Resources expended	Balance at 31 March 2024
	£	£	£	£
<b>RESTRICTED FUNDS</b>				
British Gas Centrica	-	-	-	-
Bupa	-	615,467	(556,577)	58,890
Tesco Community Grants	-	6,281,569	(6,281,569)	-
HS2 Grants	-	2,272,090	(2,272,090)	-
Comic Relief	841,923	391,375	(1,193,443)	39,855
Cadent Foundation	693,507	1,658,304	(1,882,613)	469,198
DCMS - Energy Efficiency Scheme	-	688,846	(688,846)	-
Home Office	174,697	138,485	(221,665)	91,517
Firethorn Trust	135,547	-	(135,547)	-
Onestop Carriers For Causes	65,544	35,000	(27,800)	72,744
Redress - Energy Efficiency Scheme	-	421,928	(445,947)	(24,019)
The National Lottery Community Fund	17,415	14,768	(1,270)	30,912
The National Lottery Heritage Fund	-	1,755,300	(1,736,767)	18,533
Other programmes	598,411	1,156,406	(1,336,781)	418,036
	2,527,044	15,429,538	(16,780,916)	1,175,666

Programme funds are only available for expenditure in accordance with the funders' directions.

17. Commitments under operating leases

As at 31st March 2025, the charity had total commitments under a non-cancellable lease for premises as set out below.

	2025	2024
	£	£
Within 1 Year	48,657	53,704
1-2 Years	-	46,032
2-5 Years	-	-
	48,657	99,736

£64,876 was expensed during the year (2024: £53,704)

18. Provision for dilapidation

A provision of £20,000 has been included to cover the possible dilapidation costs associated with the lease of the Walker Building. This will be reviewed annually to ensure it is sufficient to cover future possible liabilities.

19. Pensions

During the year ended 31 March 2025 Groundwork UK paid contributions into a defined contribution scheme. The total charge to the defined contribution scheme amounted to £299,641 (2024: £289,556). Contributions outstanding at the year-end amounted to £25,143 (2024: £24,420).

20. Related party transactions

At the year-end a balance of £4,000 (2024: £4,000) was owed to Groundwork Trade Association Limited, a wholly owned subsidiary of the company. There are no other related party transactions.

## 21. Reconciliation of net income to net cash flow from operating activities

	2025	2024
	£	£
Net income for the reporting period (as per the SOFA)	2,975,272	(1,198,740)
<b>ADJUSTED FOR:</b>		
Losses / (Gains) on Investments	32,600	(119,276)
Depreciation charge	9,317	16,381
Investment income	(261,719)	(210,049)
(Increase) / Decrease in debtors	2,037,533	3,476,746
Increase / (Decrease) in creditors	(1,423,710)	(3,231,076)
Increase / (Decrease) in provisions	10,000	-
Net cash provided by (used in) operating activities	3,379,292	(1,266,014)

## 22. Financial Instruments

	2025	2024
Groundwork UK’s financial instruments may be analysed as follows:	£	£
<b>FINANCIAL ASSETS</b>		
Financial assets measured at fair value through profit and loss:		
Investments	2,038,200	2,070,800
	2,038,200	2,070,800

Financial assets measured at fair value through profit or loss comprise fixed asset investments in a trading portfolio of listed company shares.

Groundwork UK would like to thank all its funders and partners. Our work to support communities has benefited significantly from funds provided by the following organisations:

	£
Anglian Water Services	27,995
British Gas Trading Ltd	1,083,097
Bupa	612,730
Cadent Foundation	1,641,351
Cadent Gas Limited	1,081,628
Centrica	154,555
Comic Relief Community Fund (England)	717,712
Deloitte	22,900
Department for Digital, Cultural, Media & Sport	22,464,865
Department for Levelling up, Housing & Communities	2,585,775
Energy Resilience Fund	15,000
Energy Saving Trust	525,286
Froneri	85,000
Grosvenor	134,628
Hatch Enterprise	271,359
Home Office	868,070
HS2 Limited	3,331,540
Impax Asset Management	80,655
Jones Lang Lasalle Limited	22,400
Morgan Stanley	100,000
Northern Gas Network	622,605
One Stop Stores	304,149
Peoples Post Code Lottery Fund	398,394
Pfizer UK	25,570
Price Waterhouse Coopers	20,190
Segro	134,058
Tesco PLC	10,640,191
The Britford Bridge Trust	10,000
The National Lottery Heritage Fund	1,559,034
Thrive	34,874
Worcester Bosch	12,500
WWF - UK	15,793
West Yorkshire Combined Authority	2,348,423

These figures are based on invoiced amounts during the financial year.



# Advisers

## Auditors

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

## Investment Managers

**Cazenove Capital**  
1 London Wall Place  
London EC2Y 5AU

## Bankers

**The Co-operative Bank plc**  
PO Box 82  
118-120 Colmore Row  
Birmingham B3 3BA

## Solicitors

**Anthony Collins Solicitors LLP**  
134 Edmund Street  
Birmingham B3 2ES

**HSBC**  
114 High Street  
Stourbridge DY8 1DZ

# The Board of Trustees

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

Appointed trustees	First appointed	Last appointed	Retired/resigned
Stuart Bonham	December 2019	AGM 2023	
Sarah Clarke	January 2025		
Katrina Cunliffe	March 2023	AGM 2023	
Jeff Greenidge	March 2019	AGM 2022	Resigned June 2024
Patrick Hughes	September 2021	AGM 2024	
Margot Madin	September 2022	AGM 2022	Resigned January 2025
Antony Nelson	March 2019	AGM 2022	
James Parkin	June 2024	AGM 2024	Resigned May 2025
Nigel Reader	July 2021	AGM 2024	
Paul Roots	March 2019	AGM 2022	
Anne-Marie Simpson	December 2019	AGM 2023	
Andrew Thurston	January 2021	AGM 2021	

Co-opted trustees	First appointed	Last appointed	Retired/resigned
Faiza Amin	September 2019	AGM 2022	
Karen Balmer	September 2022	AGM 2022	
Graham Hartley (Chair)	August 2015	AGM 2021	Resigned September 2024
Claire Marshall	December 2021	AGM 2022	Resigned April 2025
Oona Muirhead	June 2024	AGM 2024	
Graham Parry	September 2022	AGM 2022	Resigned March 2025
Andrew Thompson	March 2025		
Jack White	September 2019	AGM 2022	

**Company Secretary**  
Paul Viles

Committees of the Board

Chairs' Committee	Chair	Oona Muirhead
Federation Executive Team	Chair	Andrew Thompson
Programmes & Partnerships	Chair	Anne -Marie Simpson
Finance & Risk	Chair	Stuart Bonham

Chief Executive

Graham Duxbury



GROUNDWORK

To find out more about Groundwork,  
please get in touch:

[www.groundwork.org.uk](http://www.groundwork.org.uk)

Groundwork UK  
Suite B2, The Walker Building  
58 Oxford Street  
Birmingham, B5 5NR

- 0121 236 8565
- [info@groundwork.org.uk](mailto:info@groundwork.org.uk)
- [@groundworkUK](https://twitter.com/groundworkUK)
- [/groundworkUK](https://facebook.com/groundworkUK)
- [@Groundwork\\_uk](https://instagram.com/Groundwork_uk)
- [Groundwork UK](https://linkedin.com/company/groundwork-uk)

Published December 2025

Groundwork UK is the operating name of the Federation of Groundwork Trusts, a company limited by guarantee.  
Company Registration Number: 1900511. Charity Registration No: 291558