

**Groundwork Caerphilly**  
**(A Company Limited by Guarantee –**  
**Registered Number 2501792)**

**Charity Registration Number 1006811**

**Annual Report**  
**For the year ended 31 March 2005**

**Broomfield & Alexander Limited**  
Professional Advisors  
Pendragon House  
Caxton Place  
Pentwyn  
CARDIFF  
CF23 8XE



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COMPANIES HOUSE

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**GROUNDWORK CAERPHILLY  
ANNUAL REPORT  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005**

	<b>Pages</b>
Members, Directors and Advisors	1
Report of the Directors	2 - 22
Report of the Independent Auditors	23 - 24
Statement of Financial Activities	25
Balance Sheet	26
Notes to Financial Statements	27 - 33

**GROUNDWORK CAERPHILLY  
MEMBERS, DIRECTORS AND ADVISORS**

**Board of Directors**

**Chairman** Mr L K L Williams

**Other Board Members** Councillor M Derrett (Caerphilly County Borough Council)  
Councillor L Gardiner (Caerphilly County Borough Council)  
Councillor R Woodyatt (Caerphilly County Borough Council)  
Councillor S Jenkins (Caerphilly County Borough Council)  
Mr B Davies (Ystrad Mynach College)  
Mr C Davenport (LNC Technology)  
Mr G Hale  
Mrs J Mabey  
Mr G Davies (Davies & Hext)

**Board Advisors** Ms S Price (Groundwork Wales)  
Mr P Jayne (Caerphilly County Borough Council)

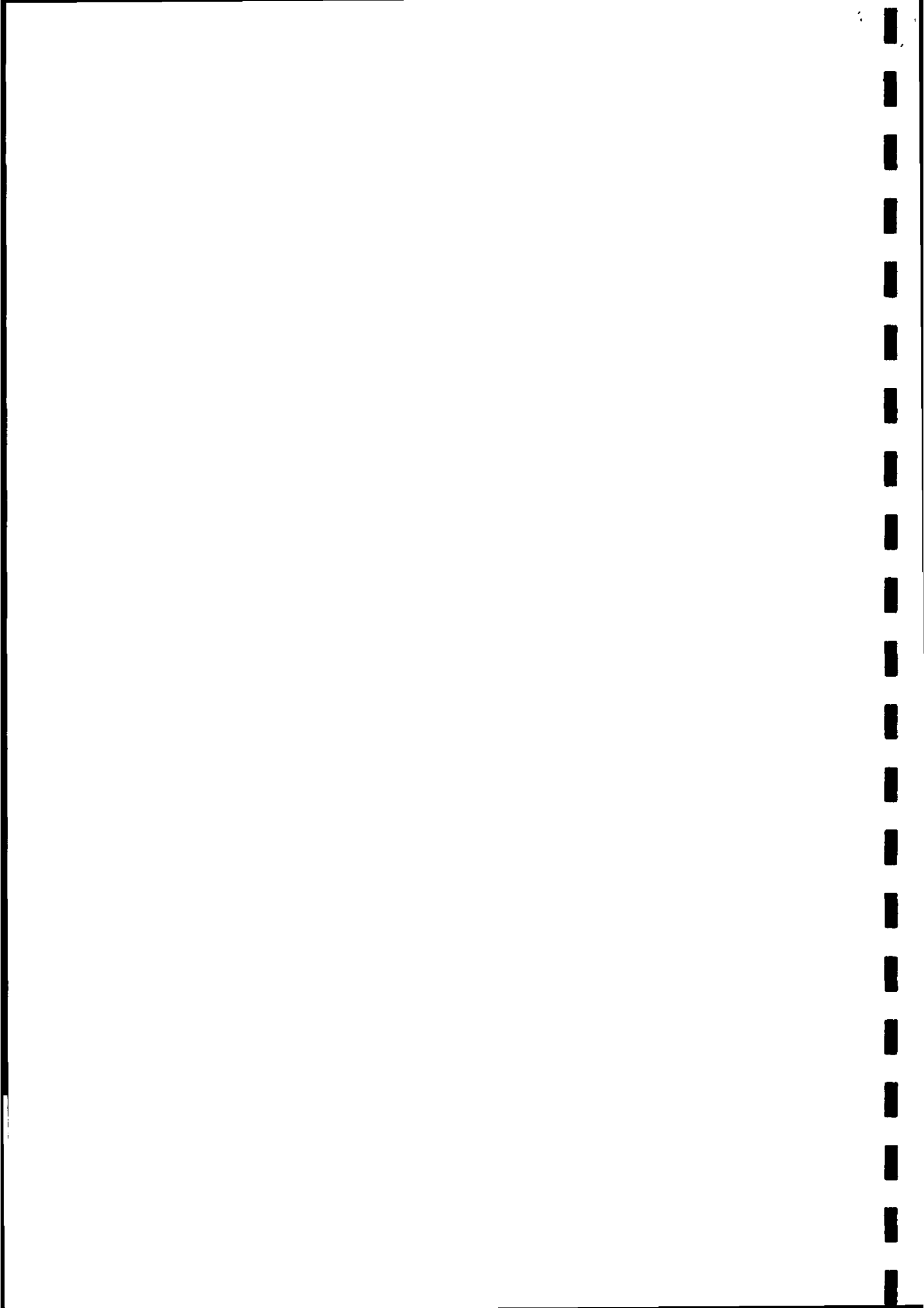
**Executive Director** Mr N Forster

**Secretary & Registered Office** Mr P G Davy  
Mynyddislwyn Offices  
Bryn Road  
Pontllanfraith  
Blackwood  
Gwent  
NP12 2BH

**Registered Auditors** Broomfield & Alexander Limited  
Registered Auditors & Chartered Accountants  
Pendragon House  
Caxton Place  
Pentwyn  
Cardiff  
CF23 8XE

**Registered Number** 2501792

**Bankers** HSBC Plc  
High Street  
Newbridge  
  
Lloyds TSB Plc  
High street  
Rhymney



## **GROUNDWORK CAERPHILLY REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005**

The directors present their annual report with the accounts of the Company for the year ended 31<sup>st</sup> March 2005.

### **PRINCIPAL ACTIVITIES**

The Trust is a registered charity and a company limited by guarantee and is governed by its Memorandum and Articles of Association.

Groundwork is a leading UK wide environmental partnership organisation which consists of the UK Federation of 50 independent Trusts, which form part of the national Groundwork network, supported by Groundwork UK.

Groundwork's national network mission is 'to build sustainable communities through joint environmental action'.

In Wales, Groundwork Caerphilly is currently part of a regional network of four Trusts and is a full member of Groundwork Wales, which supports the Trusts in Wales, and is responsible for developing the Groundwork network in Wales.

Groundwork Caerphilly's mission is 'to bring about the social, environmental and economic regeneration of Caerphilly County Borough, in partnership with the local authority, local communities, voluntary sector and business'.

The Trust has the following charitable objectives:-

- a) To promote the conservation, protection and improvement of the physical and natural environment.
- b) To provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for those living, working and visiting in the area.
- c) To advance public education in environmental matters and in the ways of better conserving, protecting and improving the environment.

Groundwork's approach has been to develop and implement programmes that concentrate on four key areas:

<b>People</b>	creating opportunities for people to learn new skills and take local action
<b>Places</b>	creating better, safer and healthier neighbourhoods
<b>Prosperity</b>	helping businesses and individuals fulfil their potential
<b>Partnerships</b>	building communities through joint action

### **DIRECTORS AND MEMBERS**

The directors and members as at 31<sup>st</sup> March 2005 are set out on page 1.

### **DIRECTORS RESPONSIBILITIES**

Company law requires the directors to prepare accounts for each financial year, which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those accounts, the directors are required to:-

1. Select suitable accounting policies and then apply them consistently.
2. Make judgements and estimates that are reasonable and prudent.

**GROUNDWORK CAERPHILLY  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005 (Continued)**

3. Follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts.
4. Prepare the accounts on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company hence for taking responsible steps for the prevention and detection of fraud and other irregularities.

**AUDITORS**

The auditors, Broomfield & Alexander Limited, will be proposed for reappointment in accordance with Section 385 of the Companies Act 1985.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

**REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS**

The Trust was incorporated as a company on 14<sup>th</sup> May 1990 and registered as a charity (Charity No. 1006811) with the Charity Commissioners on 13<sup>th</sup> December 1991.

The Trust's area of operation now includes the whole of Caerphilly County Borough.

The fifteenth financial year for the Trust ended on 31<sup>st</sup> March 2005 and once again the Trust has continued to further develop and expand its key programmes as part of a strategic approach to the environmental regeneration of Caerphilly County Borough.

The Trust has continued to further develop and consolidate its strategic role in partnership with the Welsh Assembly Government, Local Authority, local communities, voluntary and private sectors in order to bring about sustainable environmental improvements related to local needs and opportunities.

The operating deficit for the year amounted to £241,171, (2004/2005 operating surplus £325,067). Of this amount £166,944 was a deficit on restricted funds. Income of £240,246 was received in prior periods and as a consequence the large operating surplus in 2004 has reversed to a deficit in 2005 in line with the expenditure in the current year.

The results for the year are set out on pages 28-29 of the Financial Statements.

The operating deficit for the year in relation to the unrestricted funds has arisen by providing the necessary cash flow for the Trusts and projects funded on a retrospective basis, to cover running costs until earned income is certified from measurable stages of work and to provide Trust and project development funding.

GROUNDWORK CAERPHILLY  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005 (Continued)

## Review of Strategic Objectives 2004/2005

STRATEGIC PROGRAMME PRIORITIES	
Target	Achievement
To support the development of the Caerphilly Community Strategy, and in particular to assist in delivery of specific Beacon projects.	Discussions are ongoing on the development, prioritisation & delivery of the Beacon projects. Those listed remain a priority, although others such as tackling substance misuse are also being considered through the Trusts preventative and diversionary work.
To demonstrate the critical role of environmental action in community capacity building & personal development through practical projects and activities	<b><i>The Trust is committed to seeing significant developments in this area.</i></b> Three major bids (Community Spaces ERDF / Community Environmental Network ERDF / Community Fund) include volunteering / skills development coordinators to support the work of our Community Environmental Network Officers and assist local people in implementing environmental projects.
To develop integrated projects, delivering objectives across the Trusts programmes to achieve the two programme priorities identified above	<i>The new tier of 'Team Leader' has been set up specifically to assist in ensuring that the Trust delivers its objectives through integrated projects that cut across the Trust programmes. Particular emphasis is being placed on the integration of ESD, Youth Environment and EBS programmes.</i>
External / Development Aims	
To support the regeneration of Caerphilly County Borough within the Trusts Area of Operation	<ul style="list-style-type: none"> <li>• The Trust continues to be a key partner in the development of the Caerphilly Community Strategy and development and delivery of Communities First in Caerphilly County Borough. Leading on development of Community Audits supporting the C1st process.</li> <li>• Difficulties remain in resourcing community regeneration work outside Communities First areas.</li> </ul>
Contribution to Key Welsh Assembly Government Policies & Strategies	<ul style="list-style-type: none"> <li>• Key partner in local delivery of Communities First</li> <li>• Wales Waste Strategy (Wise About Waste) through CFE / Kerbside</li> <li>• Education for Sustainable Development Strategy (Learning to Live Differently) through ESD programme</li> <li>• <i>The Trust is committed to the Groundwork in Wales Change Process, which is considering how Groundwork in Wales can work with more communities and make a greater contribution to national strategies.</i></li> </ul>
To consolidate the Trusts strategic position & explore opportunities for future growth	<ul style="list-style-type: none"> <li>• Strengthened relationship with CCBC at Corporate and Directorate level with greater range of partners (includes development of Groundwork / CCBC Partnership Agreement - currently in draft form)</li> <li>• Strengthened relationship with partners across all sectors</li> </ul>

	<p>including WDA, Colleges, Registered Social Landlords, local businesses</p> <ul style="list-style-type: none"> <li>The Trusts involvement in the Gwk in Wales Change Process will enable it to pursue opportunities for geographical expansion / delivery of key programmes beyond the existing LA boundaries.</li> </ul>
To secure a sustainable business and financial basis	<ul style="list-style-type: none"> <li>The Trust has a Resources Programme and Working Group, specifically designed to look at opportunities for income generation</li> <li>The Trust is looking at increasing its asset base through its premises</li> <li>The GWC/CCBC Partnership agreement includes options for contractual arrangements</li> <li>Opportunities are being considered in the development of Education, EBS &amp; other programmes to achieve income targets</li> </ul>
<b>Internal / Organisational aims</b>	
To strengthen the Governance of the Trust	<ul style="list-style-type: none"> <li>Increased diversity of Trust Board members across all sectors</li> <li>Continue to support the new Sub-Committee format (Finance &amp; Personnel and Strategy and Programmes)</li> <li>Increase opportunities for Board members understanding of Trust &amp; its operations</li> </ul>
To complete the staff restructuring	Completed – although gaps in structure still being filled subject to funding applications & structure subject to adaptation in response to changing need
To review the Trusts Finance & Administration staffing requirements & systems	<ul style="list-style-type: none"> <li>Review complete. Groundwork BMS and Sage 'Job Costing' now in operation</li> <li>Review of staffing roles &amp; responsibilities completed &amp; recruitment progressing</li> </ul>
To develop a marketing & communications strategy	<ul style="list-style-type: none"> <li>Annual Review published &amp; 1000 copies circulated</li> <li>External communications programme has been developed</li> </ul>



## **REVIEW OF 2004/2005 KEY ACHIEVEMENTS**

The Trust delivered its activities across the following programmes, set out under the four key headings of People, Places, Prosperity and Partnerships:

### **A PEOPLE**

#### **A1 Sustainable Communities**

- ❖ Community Environmental Network
- ❖ Sustainable Estates & Former Mining Communities

#### **A2 Learning & Development**

- ❖ Education For Sustainable Development
- ❖ Skills & Learning
- ❖ Creative Play Resource Centre

#### **A3 Youth Environment**

### **B PLACES**

#### **B1 Community Spaces**

- ❖ The Green Environment
- ❖ The Urban Environment

#### **B2 Green Tourism**

- ❖ Sustainable Transport and Access to the Countryside
- ❖ Heritage
- ❖ Community Environmental Arts

### **C PROSPERITY**

#### **C1 Environmental & Business Services**

- ❖ Environmental Management Systems
- ❖ Business Regeneration Programme

#### **C2 Social Enterprise**

- ❖ Community Furniture Enterprise
- ❖ Kerbside Household Recycling Service

### **D PARTNERSHIPS**

**GROUNDWORK CAERPHILLY  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005 (Continued)**

## **A. PEOPLE**

### **OVERVIEW**

Groundwork Caerphilly's vision for its 'People' programmes is

***'to bring lasting benefits to local people, their environment and economy, by supporting all members of communities in bringing about positive changes for themselves, in order to raise self-esteem and foster local pride'.***

The Trust's Community Team worked with communities to encourage a sense of ownership of their local environment, assisting the regeneration process through involvement and capacity building, increasing the confidence of both individuals and communities. We assisted with planning, design and implementation of the regeneration projects that the communities had chosen themselves, in order to foster local pride. These projects aimed to address environmental issues as well contributed to tackling social and economic issues through participation and engagement.

Groundwork Caerphilly also worked to support the young people of the County Borough through our Youth Environment Initiative and Education and Training programmes, reconnected them with their local area, broadened environmental awareness, encouraged interaction with other sectors of the community and promoted active citizenship.

The Trust continues to develop its capacity to deliver its 'People' priorities in order to maximise benefit amongst local communities and address a continuing need to ensure effective and sustainable participation of local communities in the regeneration process. While there remains a fundamental link to the Trust's physical regeneration work, a key emphasis has been to integrate our 'people' work in the wider sustainable development agenda and contribute to social and economic regeneration through education, training and 'people' development work.

### **SUSTAINABLE COMMUNITIES**

Groundwork Caerphilly's Sustainable Communities programme has been one of the Trust's key programmes that aim to encourage a community-led approach to sustainable development and local regeneration. It combines:

- ❖ Community Environmental Network
- ❖ Sustainable Estates

This brings together our County Borough wide community based environmental regeneration work with that targeted specifically at the most disadvantaged areas.

#### **Community Environmental Network**

The programme focused on capacity building through environmental action by empowering local people and supporting the networking of community groups, participating in practical environmental projects, undertaking physical regeneration work (a particular focus of the

**GROUNDWORK CAERPHILLY  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005 (Continued)**

Sustainable Estates and Former Mining Communities programme), allowing people to share ideas, best practice, experiences and skills, and increasing confidence and self-esteem.

The Community Environmental Network aims to facilitate community regeneration and participation in sustainable development, support community and voluntary sector involvement in local partnerships and in developing and managing environmental improvements at a local level.

The Objective One funded Community Environmental Network programme came to an end during 2004-05 and helped deliver initiatives within Objective 1 Priority 3 areas and Communities First in 19 areas throughout the County Borough.

A Communities First Community Environmental Network programme initiated with the Trust as a partner organisation within the Communities First programme in the Caerphilly County Borough. As the Communities First partnerships develop, further during the year, the Community Environmental Network has and will play a key part in supporting the delivery of the Environmental theme of the Local Action Plans. The programme has also supported 'grassroots' community groups and organisations, both within and outside Communities First areas.

**Key Achievements for 2004-05**

- ❖ Completion of the ERDF Objective One Community Environmental Network programme.
- ❖ Secured strategic funding and developed the programme further.
- ❖ Supporting Communities First and Non Communities First partnerships in consulting with the wider community, in the ongoing development, revision and delivery of their Local Action Plans.
- ❖ Setting up environmental sub groups within some community partnerships.
- ❖ Core programme for the Trust: Communities First officer support through Communities First but no non-Communities First area resources (one appointed officer is funded internally) and limited capital funding. Trust is addressing as below:
- ❖ New team of 5 officers and a team leader in post. Working to complete existing projects and identify new ones. Establishing good reputation and relations across the county.
- ❖ Community audit process being developed in partnership with Caerphilly County Borough Council and Gwent Association of Voluntary Organisations. The Trust has led on coordination of the audits based on a successful audit in Gilfach and Bargoed.
- ❖ European Regional Development Fund bid submitted in December 2004 to work with volunteers with capital funds to bring environmental projects to practical completion. Grant secured in March 2005.
- ❖ Community Facilities and Activities Programme bid to extend the Trust's work in non-Communities First areas including capital funds to be submitted April 2005.

**Key Partners and Funding**

European Regional Development Fund, Enfys, Barclays Site Savers, Caerphilly County Borough Council, GAVO, Community Plan Forums, Communities First Partnerships, Newbridge Regeneration Partnership, Ty Sign and Local Communities Partnership, Cwmcarn Partnership, Crosskeys Partnership, Nelson Partnership, Crumlin Partnership, ACE, Penallta Forum, RNID, Caerphilly Health Alliance, Community Fund.

**GROUNDWORK CAERPHILLY  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005 (Continued)**

**Sustainable estates and former mining communities**

Groundwork Caerphilly co-ordinates a comprehensive programme of environmental regeneration, community led projects and activities within deprived housing estates and former mining villages throughout Caerphilly County Borough aiming to improve the local environment, develop the skills and capacity and improve the quality of life of local communities. This programme is specifically targeted at the 'Areas of Concentrated Social Exclusion' as part of the Caerphilly Community Strategy and largely covers housing areas owned by the Local Authority or other Registered Social Landlords, but includes deprived communities in which social housing predominates but is part of a larger area.

The programme has established a successful track record in priority housing areas over 10 years and is based on regeneration strategies developed with Caerphilly County Borough Council Housing Department and other key partners and local communities. These strategies have prioritised residents' concerns relating to the local environment, community facilities and resources, poverty and debt, youth activities, health and employment issues, and their implementation has shown what can be done to sustain and revitalise deprived communities.

The environmental programmes in these communities therefore tackle a range of issues, with the aim of creating an attractive environment, enhanced community facilities, improved access and community safety, facilities for play and young people, improving the quality of life of local residents and promoting a sense of pride and ownership. The partnerships with local communities, GAVO, Caerphilly County Borough Council, Local Health Group, the police and other agencies tackle crime and health related issues and contribute to social regeneration and local economic growth, through community participation, volunteering, events and training opportunities.

**Key Achievements for 2004-05**

- ❖ Completion of the ERDF Phase 1 Sustainable Estates programme.
- ❖ Key emphasis is to diversify estates programme away from physical improvements & towards integration into main capacity building work & other Trust activities
- ❖ Rolling programme of Estate wide Environmental Strategies nearing completion & implementation programmes ongoing.
- ❖ Continuation of programmes in non-ERDF Estates.
- ❖ Development of environmental strategies and implementation of projects in Phase 2 ERDF estates (e.g. Hengoed / Cefn Hengoed, Abertysswg, Trinant, Markham / Argoed).
- ❖ Employment of a Sustainable Communities Co-ordinator and Officer to complement the work of the Trusts programme officer & co-ordinate the ongoing programme.
- ❖ Secured ERDF funding for the Phase 2 programme for three years.
- ❖ Secured funding through the Groundwork UK 'Operation Gate-it' initiative for projects at Maes Mabon at Nelson and Apollo Way at Blackwood.
- ❖ Contribution of £3,750 from Charter Housing Association towards Argoed Environmental Strategy achieved in 2004-05.
- ❖ Discussions being held with number of Housing Associations to negotiate funding and partnership arrangements.

**Key Projects for 2004-05**

- ❖ Graig-y-Rhacca - Completed Sustainable Estates ERDF / LRF programme
- ❖ Gelligaer - Completed Phase 1 Heart of Communities village centre ERDF project

**GROUNDWORK CAERPHILLY  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005 (Continued)**

- ❖ Gilfach Bargoed - Heart of Communities estate centre ERDF project
- ❖ Brynhyfryd (Pontlottyn) - Completed Sustainable Estates ERDF Phase 1 programme & initiated phase 2 programme
- ❖ Fochriw - Completed Sustainable Estates ERDF Phase 1 programme & initiated phase 2 programme as part of strategy
- ❖ Trinant – Identified an environmental project from the environmental strategy as part of Phase 2 Sustainable Estates ERDF programme
- ❖ Hengoed/Cefn Hengoed - Completed environmental strategy and identify a capital project as part of Phase 2 ERDF / HRA programme
- ❖ Aberbargoed - Completed environmental strategy and identify a capital project as part of Phase 2 ERDF / HRA programme
- ❖ Markham & Argoed - Completed environmental strategy & identified HRA capital project
- ❖ Aber Valley - Completed environmental strategy and identified a HRA capital project
- ❖ Apollo Way (Blackwood) - Completed Phase 7 environmental project
- ❖ Maes Mabon (Nelson) - Completed Phase 2 environmental project
- ❖ Pantside - Completed environmental strategy & developed HRA capital project
- ❖ Ty-Sign (Risca) - Implemented a HRA capital project
- ❖ Upper Penllwyn – Identified a HRA capital project

**Key Partners**

Key partners and funding bodies are:

Welsh Assembly Government, Caerphilly County Borough Council (Housing Department and the European Regional Development Fund Other partners in the programme include local Community Partnerships, Residents and Tenants groups, Housing Associations, Community Councils, Gwent Association of Voluntary Organisations, Caerphilly Local Health Group, Gwent Police.

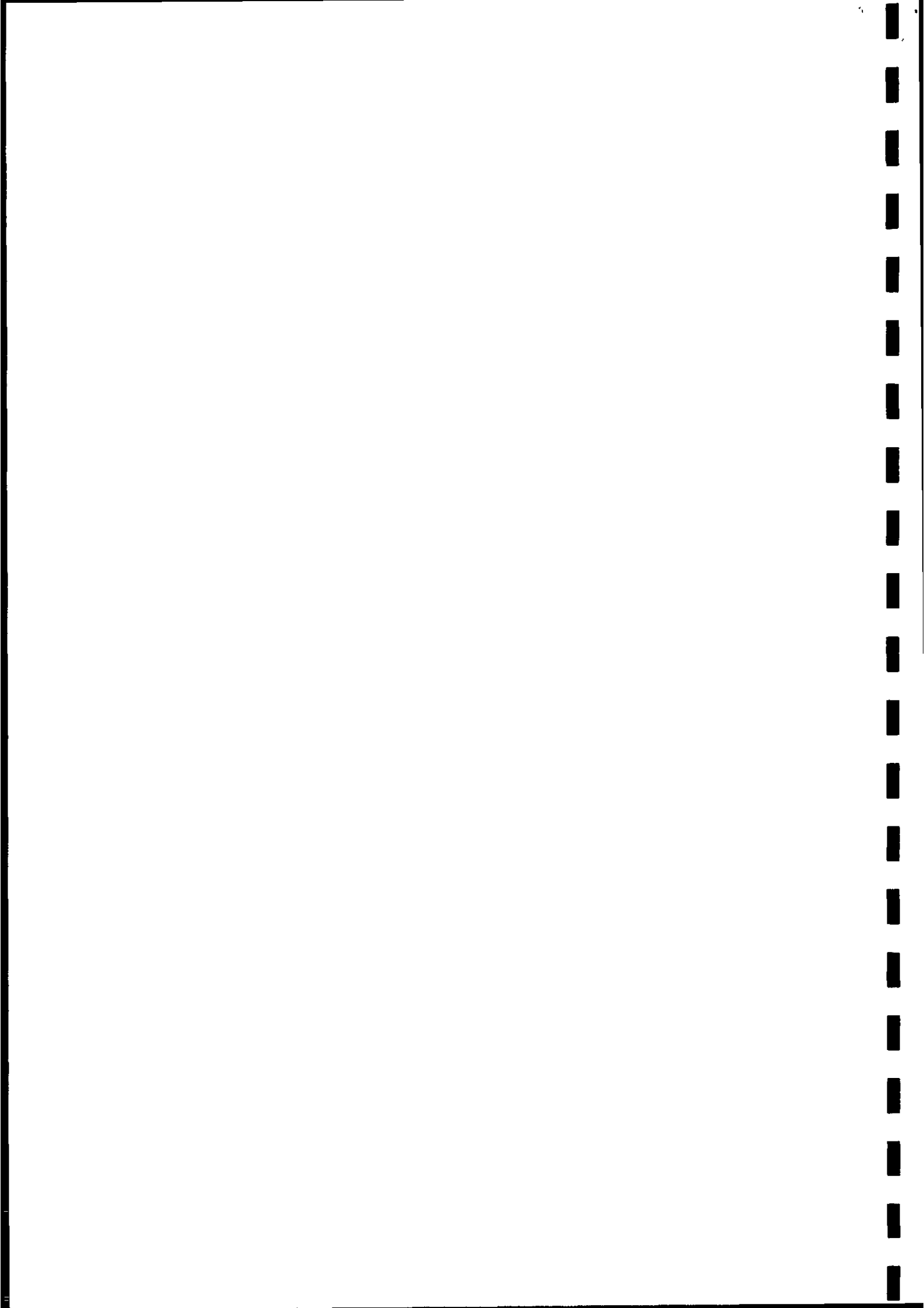
**LEARNING AND DEVELOPMENT**

**Education for Sustainable Development / Skills and Learning**

The Trust links education and training to the wider lifelong learning issues of social and economic regeneration at local, national and global levels by working with schools, colleges, community groups, the voluntary and community sectors and local businesses. We promote and encourage awareness and understanding of active citizenship and sustainable development and encourage and promote skills development and training through integration with other Trust programmes by following an holistic approach to the regeneration of 'People, Places and Prosperity'.

The Trust also developed a working relationship with the Caerphilly County Borough 16 Communities First and other local partnerships through its Environmental Skills programme. This built communities' environmental capacity through raising awareness and understanding of sustainable development within local businesses, the voluntary and community sectors, schools and colleges through projects and partnerships that demonstrated best practice and principles.

Groundwork Caerphilly also made a significant contribution to delivering education for sustainable development by integrating work with schools into broader strategies for community regeneration. The Trust represented Groundwork Wales on the Welsh Assembly



**GROUNDWORK CAERPHILLY  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005 (Continued)**

Government's ESD Advisory Panel sub-group on teacher training. The Trust co-ordinates the Woodlands for Learning Forum for the Welsh Assembly Government's Woodland Forum. It has actively participated in the development and delivery of the National Assembly for Wales's Sustainable Development Scheme.

**Key Achievements for 2004-05**

- ❖ Delivered a programme of sustainable development education to communities across the Caerphilly Borough.
- ❖ Worked with Communities First Partnerships in developing the Education elements of their Community Action Plans.
- ❖ Delivered a programme of sustainable development education to residents of estates involved in our Sustainable Estates programme.
- ❖ Caerphilly County Borough Council Education for Sustainable Development Beacon - on the Education for Sustainable Development Beacon subgroup.
- ❖ Significant developments in capacity building both locally and nationally and the Trust is a leading partner in outdoor learning in Wales

**Specific activities 2004-05**

- ❖ Foundation Phase National Curriculum for Wales
- ❖ Foundation Phase Project Board : secured inclusion of outdoor learning in all areas of learning
- ❖ Wales Woodlands for Learning Forum: report to National Woodlands for Learning Conference, November 2004
- ❖ Forest School in Wales: Developed a team of Forest School Leaders to support Forest School trainees and training delivered to 18 early years teachers; INSET training delivered to 20 teachers
- ❖ Countryside Council for Wales programme: Woodlands skills; Fairtrade, packaging minimization, Ecofootprints, Crucial Crew 2005 delivered to 2,500 local children
- ❖ Barclays SiteSavers: green timber shelter at Pant-y-Ffynnon Community Woodland
- ❖ Green Dragon for Schools piloted in 4 local comprehensives schools and Education for Sustainable Development Action Research project continuing and promoting Green Dragon for Schools
- ❖ INSET training delivered to 12 teachers on school grounds maintenance
- ❖ Awareness raising on Education for Sustainable Development delivered to trainee teachers at UWIC
- ❖ Environmental education workshops delivered at Parc Penallta

**Creative play resource centre**

The Creative Play initiative was a partnership between GAVO and Groundwork Caerphilly and is funded through CYMORTH.

The initiative strived to highlight the importance of Creative Play with an open access environment to adults, children and young people within the County Borough. The initiative has two interlinked elements: open access creative play and a resource facility of reusable and new materials.

**Following agreement with partners, the Trust has now withdrawn from this project.**

**GROUNDWORK CAERPHILLY  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005 (Continued)**

## **YOUTH ENVIRONMENT PROGRAMME**

The Youth Environment Programme is an ambitious youth project, working in partnership with local youth organisations, to encourage young people in the communities of Caerphilly to fully participate in shaping their lives and influencing local decision-making. Groundwork Caerphilly has long established relationships with many local youth clubs and organisations throughout the County Borough, and realises the importance of maintaining strong working links with its partners.

The Programme specifically delivers effective youth work with young people aged 11 to 25 and promotes a policy of inclusion and encouraging participation. It operates on a County wide basis, working in all Community Plan areas and especially Communities First areas.

The Youth Environment Project receives Cymorth funding from the Welsh Assembly Government and fits into 4 of the 6 Cymorth themes. These are:

- ❖ Health promotion
- ❖ Play, leisure and enrichment
- ❖ Empowerment, participation and active citizenship
- ❖ Training, mentoring and information

In addition to this the projects link to Caerphilly County Borough Council's Community Strategy, Beacon Projects and the Young People's Partnership Delivery Plan. The Youth Environment Programme operates using the Curriculum Statement for Wales as a guiding principle. This states that the purpose of Youth Work is that it is educative, participative, empowering and expressive. The project also follows the Welsh Assembly Government policy of Extending Entitlement, where every young person in Wales had the right to 10 basic entitlements. Groundwork Caerphilly's Youth Environment Programme in partnership with other Youth Service providers fulfils these entitlements. The Programme offers a selection of environmentally themed activities such as Youth Environmental Clubs, conservation and practical environmental work linked to Alternative Curriculum projects, holiday and summer scheme provision and youth consultations.

### **Key Achievements for 2004-05**

- ❖ Project undergoing complete review with additional external resource and integration with other Trust activities
- ❖ Excellent partnership working developing with Caerphilly County Borough Council's existing and new youth workers.
- ❖ Projects for next financial year being identified

### **Key Activities for 2004-05**

- ❖ Foundation Certificate training for new officer
- ❖ Summer Scheme Beacon project set up
- ❖ Building excellent working relations with partners and youth groups
- ❖ St Illan Youth Access Project received certificate of high commendation from Wales Council for Voluntary Action
- ❖ Trinant Graffiti Workshop with Trinant Youth Club
- ❖ Cefn Hengoed Photography Projects with Cefn Hengoed Youth Club
- ❖ Litter pick in Rhymney with Youth Forum



**GROUNDWORK CAERPHILLY  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005 (Continued)**

## **B. PLACES**

### **OVERVIEW**

Groundwork Caerphilly's vision for its 'Places' work is

***'Working with partners to create better, safer, healthier and more sustainable communities by enhancing the areas where people want to live, work and spend their leisure time'.***

An overriding principle of the Trust's 'Places' work is that it clearly demonstrates how environmental change contributes to wider regeneration priorities such as economic regeneration, healthy living, crime reduction, social provision and education as well as contributing directly to regeneration of the physical environment.

The Trust recognises that its track record in achieving physical environmental regeneration is the basis on which its historic reputation has been established and that it remains a key expectation of stakeholders. We shall therefore continue to develop this work both in quality and geographical coverage and seek to secure the financial resources required to build and sustain the programme. We shall also continue to play a key role in promoting sustainable development and seek innovative solutions to environmental regeneration.

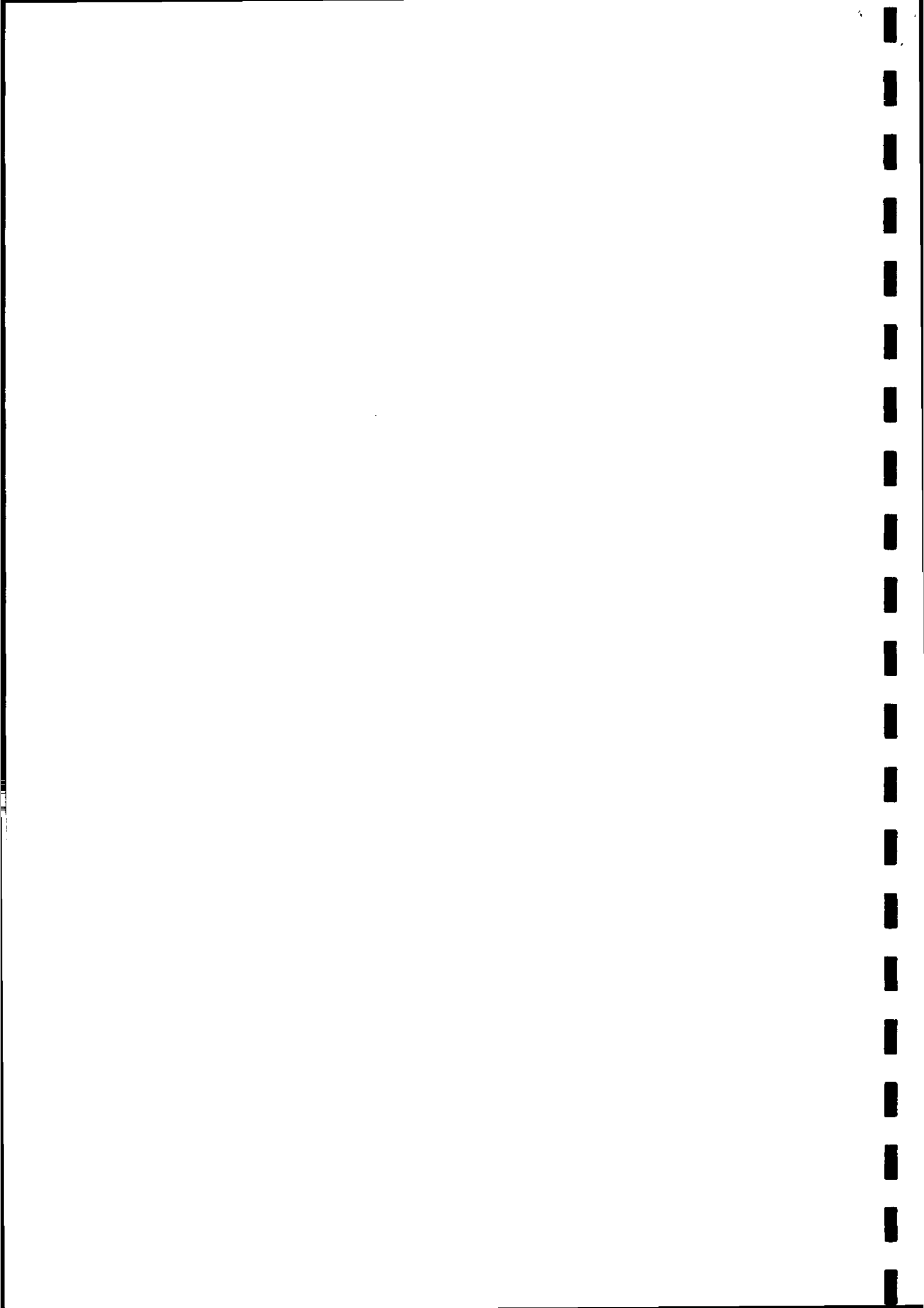
## **COMMUNITY SPACES**

Groundwork's Community Spaces programme utilises public open space as a means of engaging and building communities through environmental action and activities and has been developed from the excellent and long established examples at Parc Penallta and Cefn Fforest and Fairview Ecopark.

We make the distinction between the green environment and the urban environment in response to the different opportunities that these community open spaces provide. Green public open space provides the opportunity for community participation in a range of environmental activities within a natural setting, while urban public open space forms the social, economic and environmental heart of a local community.

### **The Green Environment**

Community engagement is a central goal of the Community Spaces programme. Community led environmental activities help groups and individuals gain confidence, understanding and skills through informal education, assist potentially conflicting or competing groups within communities to find common ground and allow local communities to go on to identify and tackle issues and concerns within their own lives. The activities arising from project development provide opportunities for people of all ages, backgrounds and levels of ability to explore and understand their environment and learn how to live in a more sustainable way.



**GROUNDWORK CAERPHILLY  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005 (Continued)**

Demonstrating sustainable development is an integral aim of the programme and in pursuing this, a wide range of social, economic and environmental benefits will be provided to both individuals and communities, playing a key part in the Caerphilly regeneration strategy.

There are four main strands within the programme:

- ❖ **Biodiversity** – Community spaces have the potential to benefit wildlife and this programme aims to enhance, protect and increase the biodiversity value of sites developed within it.
- ❖ **Recreation and Facilities** – Community spaces are often neglected and therefore not used as widely as they could be. Through the Community Spaces programme, Groundwork Caerphilly will help local communities to improve access to such sites and develop an appropriate range of facilities for those wishing to use them.
- ❖ **Learning and Inclusion** – Community Spaces offer opportunities for a wide range of organisations and individuals to become involved in their development. Groundwork Caerphilly will help local communities to devise and deliver programmes of events and activities aimed at involving as wide a range of people as possible in the project as well as offering opportunities for volunteering and training.
- ❖ **Common ground** – Community Spaces offer opportunities for communities with potentially competing or conflicting priorities to work together on 'common ground' to resolve their differences towards a common purpose. A key example in the South Wales Valleys context is the resolution of inter-generational conflict.

**Key Achievements / Activities for 2004-05**

**General**

- ❖ Environmental Skills Officer appointed in November 2004
- ❖ Volunteering and Traditional Skills Programme completed
- ❖ New staff recruited for new Community Spaces programme.
- ❖ Secured Community Spaces ERDF funding for Volunteering / Skills Officers

**Cefn Fforest Ecopark:**

- ❖ Action days held including Winter Fayre
- ❖ Worked with partners to continue to develop & implement improvements, including:
  - Improvement and management of habitats to increase biodiversity
  - Improvement of entrances and accessibility
  - Creation of a children's play area and storytelling arena
  - Completion of the Celtic Tree Trail in the south woodlands
- ❖ Continue to develop the education programme with local schools, including the development of a Forest School programme
- ❖ Completion of the Skills Development Programme
- ❖ Working with partners to secure funding to continue the project.

**Parc Penallta:**

- ❖ Worked with partner organisations to develop and secure funding for community

**GROUNDWORK CAERPHILLY  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005 (Continued)**

woodlands and other initiatives within the park and surrounding communities

- ❖ Improved access to the park through links to routeways, cycle paths and bridleways
- ❖ Completion of the education programme for Parc Penallta
- ❖ Continuation of the event programme based in the park and surrounding communities.

Northern Sirhowy Valley:

- ❖ Development of volunteering and capacity building projects in partnership with CCBC, Northern Sirhowy Valley Communities First Partnership and CCW.
- ❖ Traditional Skills - Held event in Hollybush and Markham with local schools focusing on trees and their benefits.

Pant-y-ffynon:

- ❖ CCV continuing maintenance action days. Building good working relationship with CCBC Environmental Services.
- ❖ Contribution to the newly established Lower Sirhowy Valley Partnership as a key partner
- ❖ Restored the existing coppice plantation
- ❖ Carried out events that included the community to build environmental awareness.

**The Urban Environment**

Groundwork has an established track record in undertaking programmes of physical environmental regeneration in villages and other communities throughout the County Borough in partnership with Caerphilly County Borough Council Housing and Planning Departments. Major initiatives have included the Ystrad Mynach and Abertridwr Welsh Capital Challenge programmes, and many village centre initiatives in settlements such as Bedwas, Trethomas, Caerphilly, and a number of recent schemes throughout the Upper Rhymney Valley and other Community Plan areas.

The need for a continuation of this work has been highlighted as a priority within the 'Environment' theme of the Community Plans and the development of the Caerphilly Community Strategy amongst local communities and is a key expectation of the Trust's activities at both a local and a national level. Additional support has already been secured for a continuation of the Trust's successful work in the Aber Valley and similar opportunities will be explored elsewhere.

A key feature of these programmes has been the regeneration of village centres. The village centre is the most 'visible' part of the area and where local communities meet, shop and socialise as well as being at the heart of the local economy. Local communities have identified that the poor physical environment of the village centres is seriously inhibiting the prospects for regeneration of the estates, due to the adverse effects on inward investment (and therefore the prospects for improved provision of local amenities) and on the creation of a sense of pride within the local community.

While opportunities for both development and implementation work are largely in areas within Communities First and Objective 1 Priority 3 qualifying areas, the Trust will seek opportunities to support other areas throughout the County Borough.

## **GROUNDWORK CAERPHILLY REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005 (Continued)**

### **Key Achievements for 2004-05**

- ❖ Completed the 'Heart of the Communities' projects at Gelligaer (Phase 1) and Gilfach Bargoe as part of the Trusts ERDF programmes in partnership with the CCBC Housing and Urban Renewal Departments
- ❖ Continuation and further development of the programme in the Aber Valley including major landscaping project at the former Windsor Colliery Entrance site
- ❖ Development of key environmental regeneration projects for the New Tredegar Communities, potentially leading to capital investment through PRF funding
- ❖ Completion of an environmental strategy for Crosskeys Village and the surroundings to be taken forward as a major new ERDF programme over the next 3 years.

## **GREEN TOURISM**

Green Tourism forms links and contributes to other Trust programmes including community woodlands, community routeways and access, community spaces, Parc Penallta and the Community Parks. The Trust works in partnership with Caerphilly County Borough Council's Countryside and Tourism departments to develop a sustainable framework through which the tourism assets of Caerphilly County Borough can be developed and promoted. The Trust plays an active role in contributing to the Caerphilly County Borough Council's Rural Assets strategy and works in partnership with Groundwork Wales and the other Groundwork Trusts in to actively support the development of strategic programmes promoting community based green tourism providing economic benefit to communities and businesses. This will be achieved through the proposed Loops and Links project which will link local communities to heritage and cultural sites via a series of walking and cycling trails and bridleway network.

The Trust will encourage the development of new business and services within communities linked to the development of green tourism. Opportunities exist for farms to diversify to develop accommodation and camping facilities.

Key themes for the Trust in its Green Tourism programme are:

- ❖ **Community Routeways and Access to the Countryside**  
The Trust seeks to develop and promote in partnership with Caerphilly County Borough Council and Forest Enterprise a network of community routeways, both bridleway, cycling and walking trails. In 2004-05 a 'Loops and Links' study has been completed which will lead to a programme to link communities and to provide access to the countryside as well as providing links to key heritage and cultural tourism attractions.
- ❖ **Heritage**  
Heritage is a strong theme in the Trust's 'Places' work and has been a key element of the design and development process of individual projects. The Regeneration of Village Communities, Parc Penallta and Community Routeways programmes in particular have focused on references to local heritage which has been a key feature in much of the associated arts, community and education work. Heritage will be a focal point for the development of Green Tourism. Caerphilly has a rich heritage both in culture and heritage sites which can be used to attract visitors to the area.

## **GROUNDWORK CAERPHILLY REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005 (Continued)**

The programme assists communities to identify, promote and celebrate their local heritage - 'heritage on their doorstep'. The programme will contribute to the HERIAN initiative promoting Industrial Heritage across SE Wales and the Valleys. Groundwork's work with CCBC's Urban Renewal section in promoting the Mid Valleys Corridor will provide a model and framework through which communities are able to attract visitors and so gain economic benefits through the promotion of their heritage assets. The development of the Heritage programme is inter-linked with the development of community routeways.

### **❖ Environmental Arts**

Environmental art is a key element of many of the Trust's programmes and an effective means of involving local people in the design and creation of physical improvements to the local environment. Features range from specially commissioned sculptural seating to large entrance features and include murals and mosaics. The process of creating environmental artworks fosters a sense of ownership and produces features that are appropriate to and valued by the local community.

### **Key Achievements for 2004-05**

- ❖ Developing the SW Valleys wide HERIAN project promoting tourism potential through industrial heritage.
- ❖ Gwk Wales accommodating 'Greening the Valleys' post.
- ❖ Completion of the Mid Valleys Corridor Loops & Links study implementation part of partnership bid between Trust & CCBC Planning.
- ❖ Secured funding to implement artworks in Gelligaer
- ❖ Installed specially designed picnic benches, waymarker posts and storytelling arena on Ecopark
- ❖ Implementation of artworks designed in 2003-04, including Gilfach Fargoed and Lansbury Park
- ❖ Completed entrance feature sculptures at Parc Penallta
- ❖ Identified and seeking funding for further artworks at Parc Penallta
- ❖ CCBC funding approved through ERDF for Mid Valleys Rural Village Strategy (Loops & Links).
- ❖ 8 Loops & Links projects to be planned for commencement within 2005-06 as part of new ERDF programme in partnership with CCBC Urban Renewal Section

## **C PROSPERITY**

### **OVERVIEW**

Groundwork Caerphilly's vision for its 'Prosperity' work is

*'To promote the social, economic and environmental regeneration of Caerphilly by being the leading source of environmental advice to local SMEs, providing sustainable environmental improvements to priority industrial estates and the development of innovative social enterprise'.*

**GROUNDWORK CAERPHILLY  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005 (Continued)**

Integrating the economy and the environment is central to the Trust's work, and we recognise that people, places and prosperity are inextricably linked. We enhance perceptions of areas, making them more attractive for the new investment that brings jobs. We offer specialist environmental advice to SMEs, normally only available to large companies, leading to improved environmental performance and cost-saving opportunities. This can help the retention of existing jobs and lead to growth of small firms with the provision of increased jobs, thus supporting the local economy.

We provide opportunities for the unemployed through work placement or volunteering to gain new skills to help them achieve employment. We refurbish furniture and electrical items, helping individuals and families on low income through a referral system to obtain decent furniture and equipment for their homes at a reasonable cost. We aim to provide opportunities for suitable waste materials from industry to be available as a resource for schools, playgroups and others, helping to reduce landfilling of waste and conserving natural resources. Our involvement with the Communities First Partnerships, Caerphilly Community Action Plans, and Caerphilly Economic Regeneration Strategy is leading to opportunities for economic diversification in the longer term.

**GROUNDWORK ENVIRONMENTAL BUSINESS SERVICES**

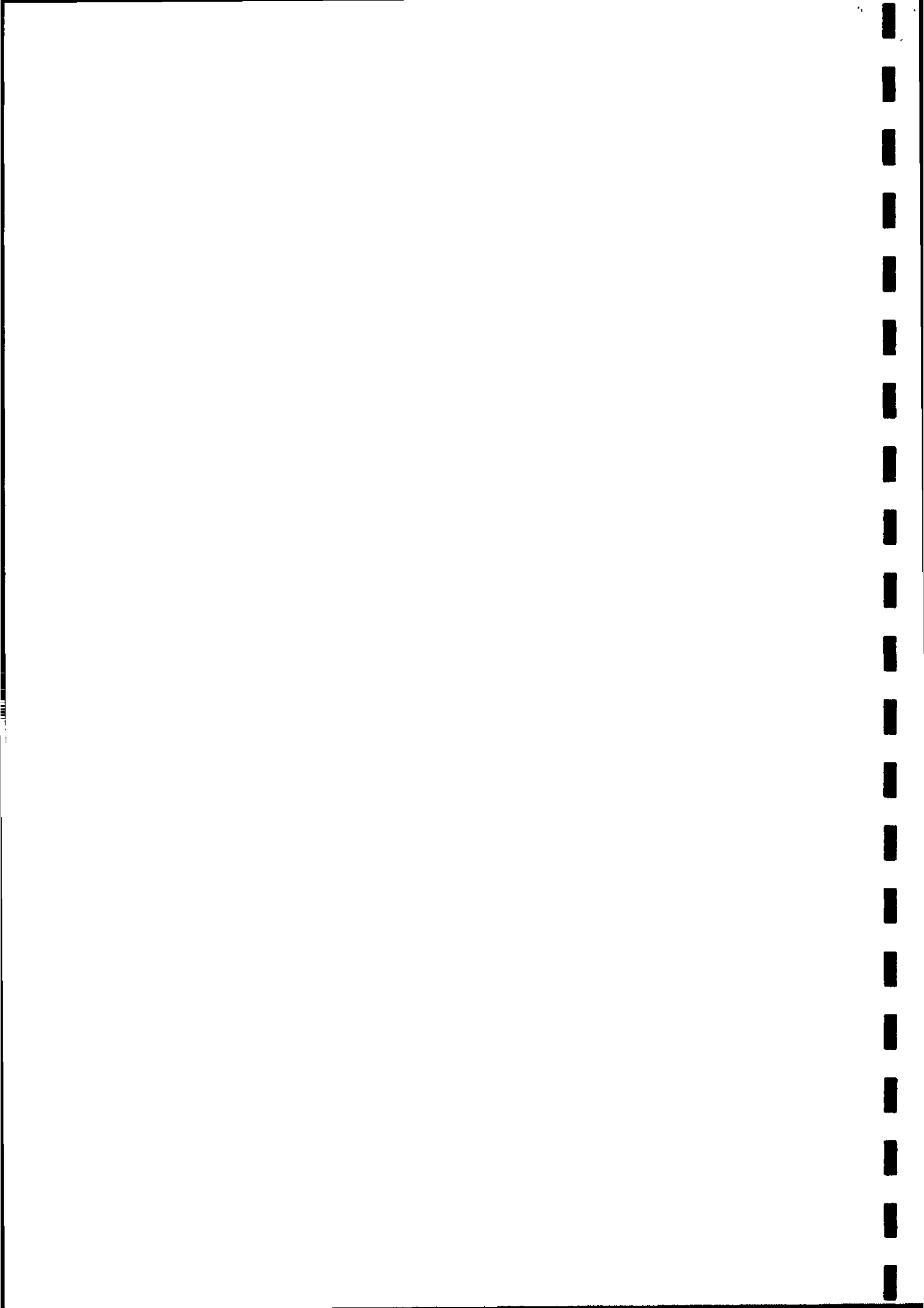
The Caerphilly Business Environment Partnership programme aims to develop and support partnerships in Caerphilly County Borough between the Local Authority, Welsh Development Agency, Groundwork and business to improve the perception and competitiveness of businesses and industry for the benefit of customers, local residents and potential inward investors; to encourage networking and best practice; enhance links with the local community and schools; and encourage employee volunteering. The programme aims to integrate environmental and economic regeneration and is supported by the European Regional Development Fund, Objective 1 Programme, Welsh Development Agency and Welsh Assembly Government.

The programme is integrated with and supported through the ERDF Objective 1 Programme as part of the Groundwork Wales and Wales Environment Centre co-ordinated Environmental Business Services initiative (a joint venture between all three Groundwork Trusts in South Wales) which promotes and develops good practice in environmental performance and management, by working closely with businesses to address their individual environmental needs.

The programme presently targets three priority industrial estates, namely Pant Glas, Bedwas; Duffryn Business Park, Ystrad Mynach; and Penallta Industrial Estate, Hengoed, but is not confined to these areas.

In 2004-05 the programme was delivered through the following initiatives:

- ❖ Environmental Innovation and Competitiveness (Objective 1)
- ❖ Business sites improvement programme (Welsh Development Agency S15 funding and private business funding)





**GROUNDWORK CAERPHILLY  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005 (Continued)**

The continuation funding for the joint Groundwork and Arena Network Objective 1 "Green Dragon" programmes enable Groundwork Caerphilly, through its Environmental Business Services Officers, to provide environmental consultancy to companies, the 'Green Dragon' environmental management standard will enable them to demonstrate to their clients continuous environmental improvements in their performance and promote green business parks. The programme also includes the appointment of an additional Business Environment Co-ordinator, a post that is jointly based within Groundwork and Caerphilly County Borough Council Economic Development Section and managed by Groundwork Caerphilly, who provides the link between local businesses, the Council and Groundwork and who assists companies to apply for clean technology grants. This funding programme applied from 1<sup>st</sup> March 2004 and continues for 3 years.

**Key Achievements for 2004-05**

- ❖ Three year programme now in second year of delivery.
- ❖ Working in partnership with CCBC, WDA, and Carbon Trust to develop projects/funding for Sustainable Business Parks that includes submission of a PRF Bid made for Penallta Industrial Estate.
- ❖ Working in Torfaen and Blaenau Gwent & potentially Newport and Cardiff.
- ❖ Working in partnership CCBC to host a Hazardous Waste Seminar/Exhibition in May to raise the profile of Groundwork Caerphilly's EBS/"Green Dragon" programme.
- ❖ Developing the 'Green Dragon' methodology & model into work with schools & communities.

**Key Outputs for 2004-05**

- ❖ Target of GD Level 2 within calendar year of 2004 was 25 businesses, however due to staff shortages only 13 were achieved.
- ❖ Target for 2005 calendar year is 36 businesses of which 14 have been achieved at end April 2005.
- ❖ 2 new EBS Officers recruited in Dec 2004.
- ❖ Hazardous Waste Seminar planned for 19<sup>th</sup> May 2005 supported by CCBC.
- ❖ Green Dragon for Schools application submitted by CCBC Education/GWC to WAG for funding.

**SOCIAL ENTERPRISE**

The Trusts long-term aim is to develop multi-faceted social enterprises that provide goods and services where mainstream businesses cannot or will not go as they are unable to match economic viability with social objectives. The key factor in the role of Social Enterprise is the empowering individuals and communities by encouraging the development of work habits and increasing employment diversity. The Trust is aware that social enterprises can provide solutions to some of the problems faced in many of the County Borough's disadvantaged wards and will include economic, social and environmental opportunities

**GROUNDWORK CAERPHILLY  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005 (Continued)**

**The Community Furniture Enterprise**

The Community Furniture Enterprise aims to address the social, economic and environmental regeneration of the valley. The project is managed and co-ordinated by Groundwork Caerphilly in partnership with Caerphilly County Borough Council. A stakeholder group has been established to support, develop and manage the Community Furniture Enterprise, which includes Groundwork, Caerphilly County Borough Council, GAVO and ELWa.

The Community Furniture Enterprise provides a collection and delivery service of reusable furniture and electrical appliances for residents throughout the whole of the Caerphilly County Borough area. The main offices, workshops and showroom are based at Rhymney Community Business Village, Lawn Industrial Estate, Rhymney.

The development and day to day project operations are managed by the Community Recycling and Community Furniture Enterprise Manager with the support of four supervisors, whose responsibility is to undertake and supervise the collection, repair, refurbishment, delivery and re-distribution of second-hand furniture and electrical appliances and also to manage volunteers/New Deal clients.

The Community Furniture Enterprise has received financial support from Caerphilly County Borough Council, the European Regional Development Fund, Biffaward, Welsh Assembly Government's Sustainable Communities Programme, ELWa, Basic Skills Agency, Environment Wales, Groundwork UK and Groundwork Wales.

During 2004-05 Groundwork and CCBC agreed to jointly commission a comprehensive review of the CFE and its activities to determine its future direction.

**Key Achievements for 2004-05**

The development of a funding plan for the CFE following the end of the Biffaward grant:

- ❖ A commitment from both Groundwork and the Local Authority to support the growth of the Community Furniture Enterprise.
- ❖ Enhancement of Community participation and awareness of the CFE services.
- ❖ Increased marketing and promotion of the CFE through various mediums such as press articles including the Local Authorities monthly newspaper, which is distributed to all 70,000 households in the Borough.
- ❖ Receiving an average of 100 new referrals each month (up by 10% on last year) of which the Local Authorities, Social Services and Housing Department, accounts for 80% with 20% from other organisations.
- ❖ Expansion of the CFE'S collection and delivery and the improvement of the refurbishment of furniture and electrical appliances.
- ❖ 7 outreach events held in targeted the communities.

**Kerbside Recycling Services**

The Community Kerbside Recycling Service is a partnership with the Local Authority's Environmental Services Department, linked to their Corporate Plan aim of improving the

**GROUNDWORK CAERPHILLY  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005 (Continued)**

environment through targeted activities, regulation and advice, and to the Environmental Health and Public Services Divisional Performance Plan aim of 'Implementing policies and targets contained in the European Landfill Directive and Wales Waste Strategy'.

*This dynamic and innovative partnership integrates community-based action with delivery of public services that contributes to a number of objectives within local and national regeneration strategies. The service provides a fortnightly kerbside collection to 8,000 houses in the Rhymney Valley area.*

**Key Outputs for 2004-05**

- ❖ Groundwork is now a major partner alongside Biffa and CCBC in the delivery of recycling services.
- ❖ Joint grant application with CCBC submitted to SRS to enhance the CFES Kerbside service from fortnightly to weekly and to improve the collection of electrical appliances to keep their intrinsic and environmental value.
- ❖ Participation rates are up from 30% to 40%.
- ❖ Introduction of a joint incentive household scheme has increased awareness of the service.

**PARTNERSHIPS**

One of Groundwork Caerphilly's priorities in 2004-05 was to clarify, promote and strengthen its strategic role in local community regeneration and sustainable development. This included strengthening and developing partnerships that consolidate its existing position while providing the means to explore opportunities for future growth.

Therefore its strategy has been to ensure that its partnerships meet the following criteria:

- ❖ support the aims and objectives and strategic direction of the Trust
- ❖ *compliment and add value to those of partner organisations*
- ❖ create leverage to consolidate the Trust and enhance its ability to contribute financially to local regeneration and sustainable development
- ❖ increase multi-sectoral participation in local community regeneration and sustainable development

The Trust has worked to achieve this through:

- ❖ open, effective and regular communication with existing partners to ensure that Trust activities complement those of its partners
- ❖ exploration and development of new partnership opportunities, joint ventures and integration with and pooling of resources with partner organisations and the Groundwork network in Wales
- ❖ development of a marketing and communications strategy to clarify and promote the Trust's role and niche in local regeneration and sustainable development
- ❖ Investment in research and development to explore and maximise the potential of new activities and partnerships

**GROUNDWORK CAERPHILLY  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005 (Continued)**

Key successes in 2004-05 include:

- ❖ Support from Welsh Assembly Government for a team of Communities First CEN officers to work with CCBC and other partners in Communities First areas.
- ❖ Strengthened relationships across the local authority (leading to the setting up of a Joint-Officer Liaison group between the two organisations) and a partnership agreement.
- ❖ Commitments to joint-working with Ystrad Mynach college with ties at a senior and board level between the organisations
- ❖ Improved working relationship with the WDA in the EBS and other programmes
- ❖ Closer integrated working with Groundwork Wales and other Trusts in Wales through the Groundwork in Wales 'Change Process'.

**RISK MANAGEMENT**

The Directors have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the organisation and are satisfied that systems are in place to mitigate exposure to any major risks.

**RESERVES POLICY**

The Directors maintain a level of free reserves sufficient to ensure that the Charity's operations remain sustainable.

**FUND BY FUND ANALYSIS OF AVAILABILITY OF ASSETS**

The Board of Directors have reviewed the reserves of the Charity. The review encompassed the nature of the income and expenditure streams and the need to fulfil future commitments.

Total funds equate to 40% of expected unrestricted fund expenditure each year and the Board of Directors believe this is adequate to ensure continuance of all the Charity's project aims over the next few years without interruption.

**INVESTMENTS**

The Trust does not hold any investments.

Signed on behalf of the board of directors



Mr P G Davy (Secretary)  
Approved by the Board on 28 September 2005

REGISTERED OFFICE  
Mynyddislwyn Offices  
Bryn Road  
Pontllanfraith  
Blackwood  
NP12 2BH

**GROUNDWORK CAERPHILLY  
REPORT OF THE INDEPENDENT AUDITORS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005**

We have audited the financial statements of Groundwork Caerphilly for the year ended 31 March 2005 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

This report is made solely to the charity's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

As described on page two, the directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

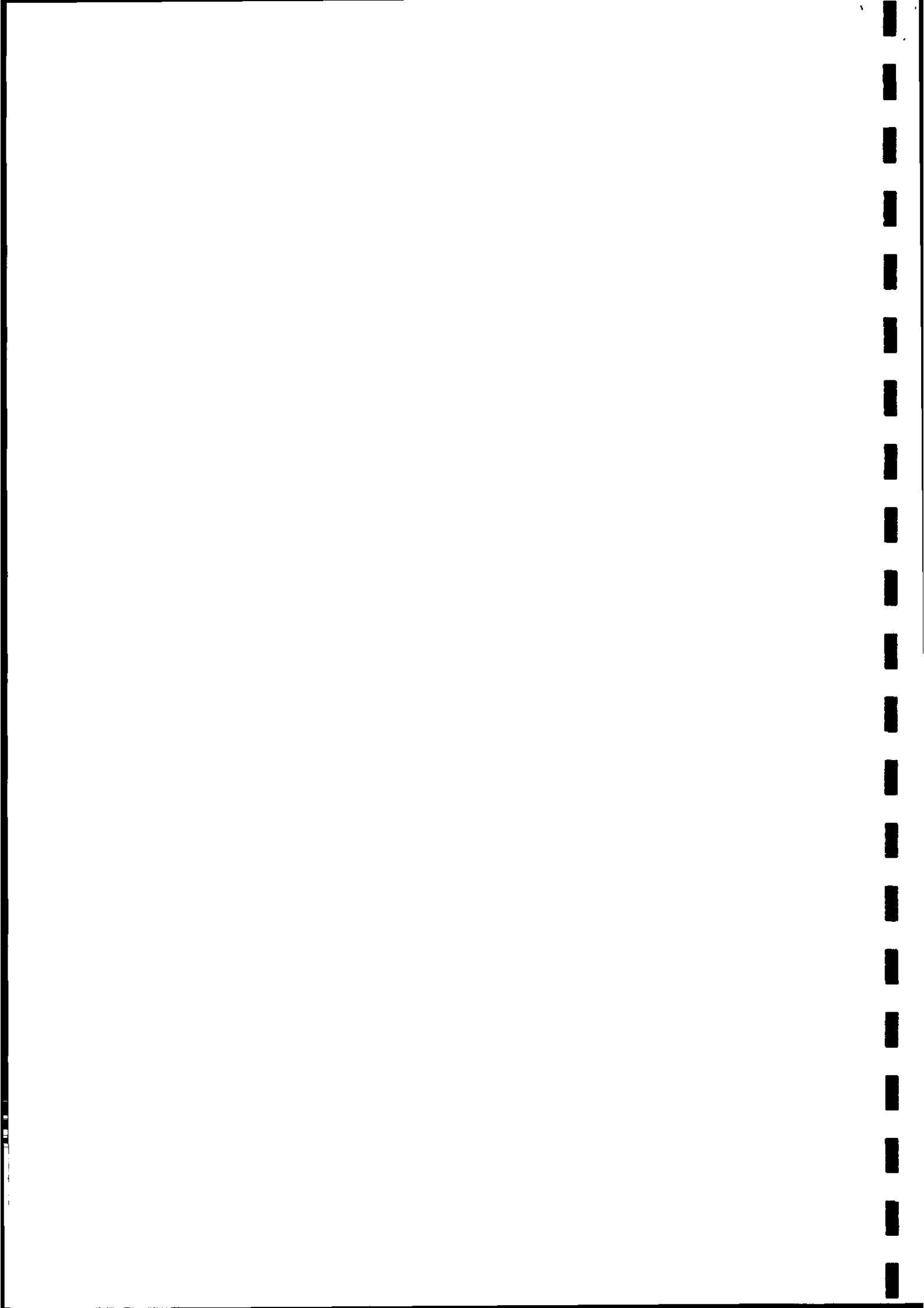
We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Directors is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the charity is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatement within it. We are not required to consider whether the statement in the Report of the Directors concerning the major risks to which the charity is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charity's risk management and control procedures.

**Basis of opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.



**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
GRNDWORK CAERPHILLY (Continued)**

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the charitable company's affairs as at 31<sup>st</sup> March 2005 and of its outgoing resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Broomfield & Alexander Limited*

**Broomfield & Alexander Limited**

Chartered Accountants and Registered Auditors

Pendragon House

Caxton Place

Pentwyn

CARDIFF

CF23 8XE

Dated: *28 September 2005*

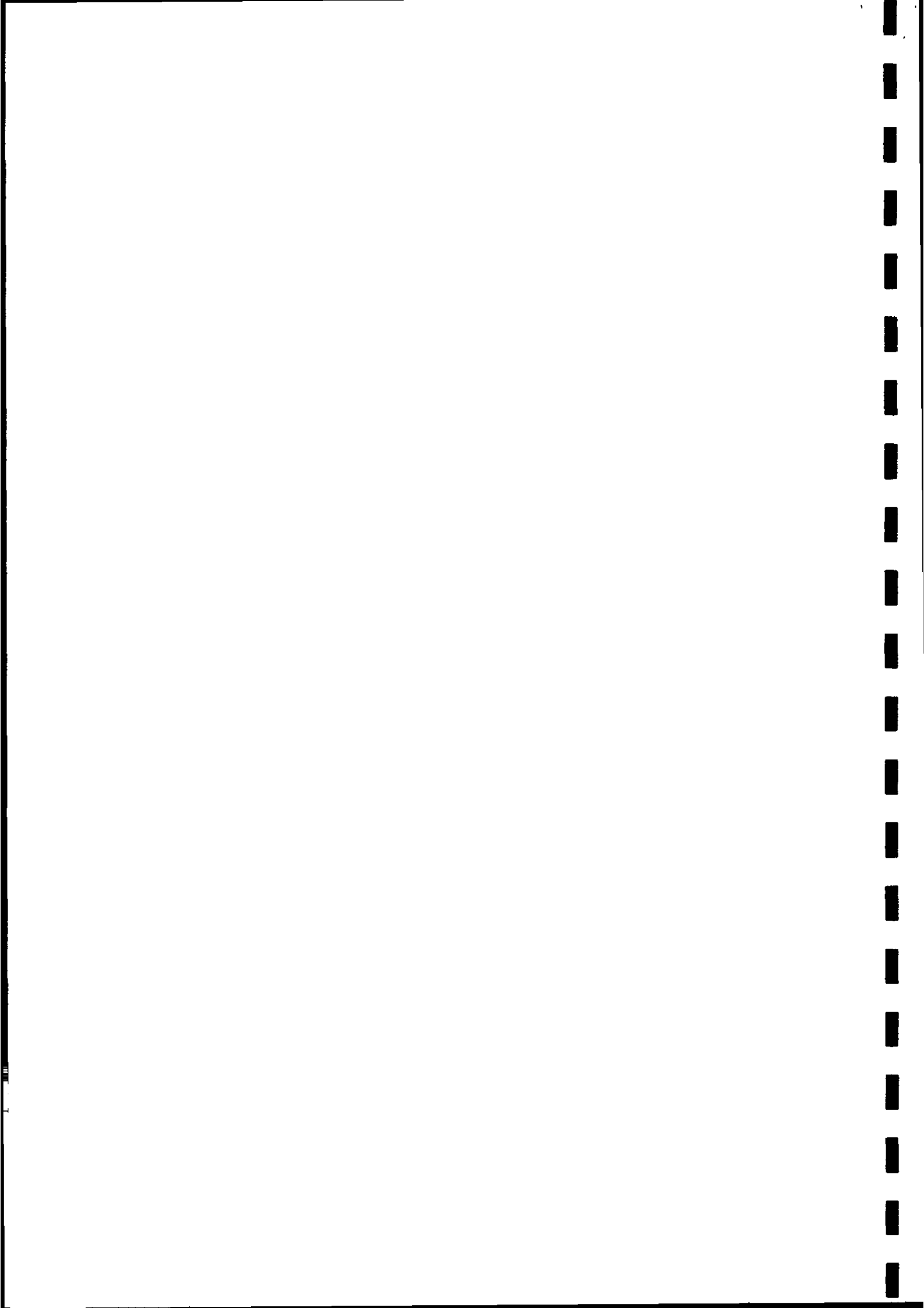
**GROUNDWORK CAERPHILLY**  
**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE**  
**ACCOUNT)**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005**

	NOTES	UN- RESTRICTED FUNDS £	RESTRICTED FUNDS £	TOTALS 2005 £	TOTALS 2004 £
<b>INCOMING RESOURCES</b>					
<b>Activities in furtherance of the charity's objects:</b>					
- Core Funding		189,750	-	189,750	195,200
- Project Funding		-	1,455,228	1,455,228	1,780,007
Interest Received		36,093	-	36,093	16,143
Other Income		44,010	56,879	100,889	48,426
<b>TOTAL INCOMING RESOURCES</b>	<b>3</b>	<b>269,853</b>	<b>1,512,107</b>	<b>1,781,960</b>	<b>2,039,776</b>
<b>RESOURCES EXPENDED</b>					
<b>Direct Charitable Expenditure:-</b>					
Direct Project Expenditure		-	1,679,051	1,679,051	1,345,882
Management and Administration of the Charity		344,080	-	344,080	368,827
<b>TOTAL RESOURCES EXPENDED</b>		<b>344,080</b>	<b>1,679,051</b>	<b>2,023,131</b>	<b>1,714,709</b>
Net (Outgoing)/Incoming Resources Before Transfers		(74,227)	(166,944)	(241,171)	325,067
Net Movement in Funds – Net (expenditure)/income for the year		(74,227)	(166,944)	(241,171)	325,067
<b>Balance Brought Forward 1<sup>st</sup> April 2004</b>		<b>653,490</b>	<b>668,017</b>	<b>1,321,507</b>	<b>996,440</b>
<b>Balance Carried Forward at 31<sup>st</sup> March 2005</b>		<b>579,263</b>	<b>501,073</b>	<b>1,080,336</b>	<b>1,321,507</b>

All of the net (outgoing)/incoming resources are from continuing activities.

The company has no recognised gains or losses other than the above.







**GROUNDWORK CAERPHILLY**  
**BALANCE SHEET AT 31<sup>ST</sup> MARCH 2005**

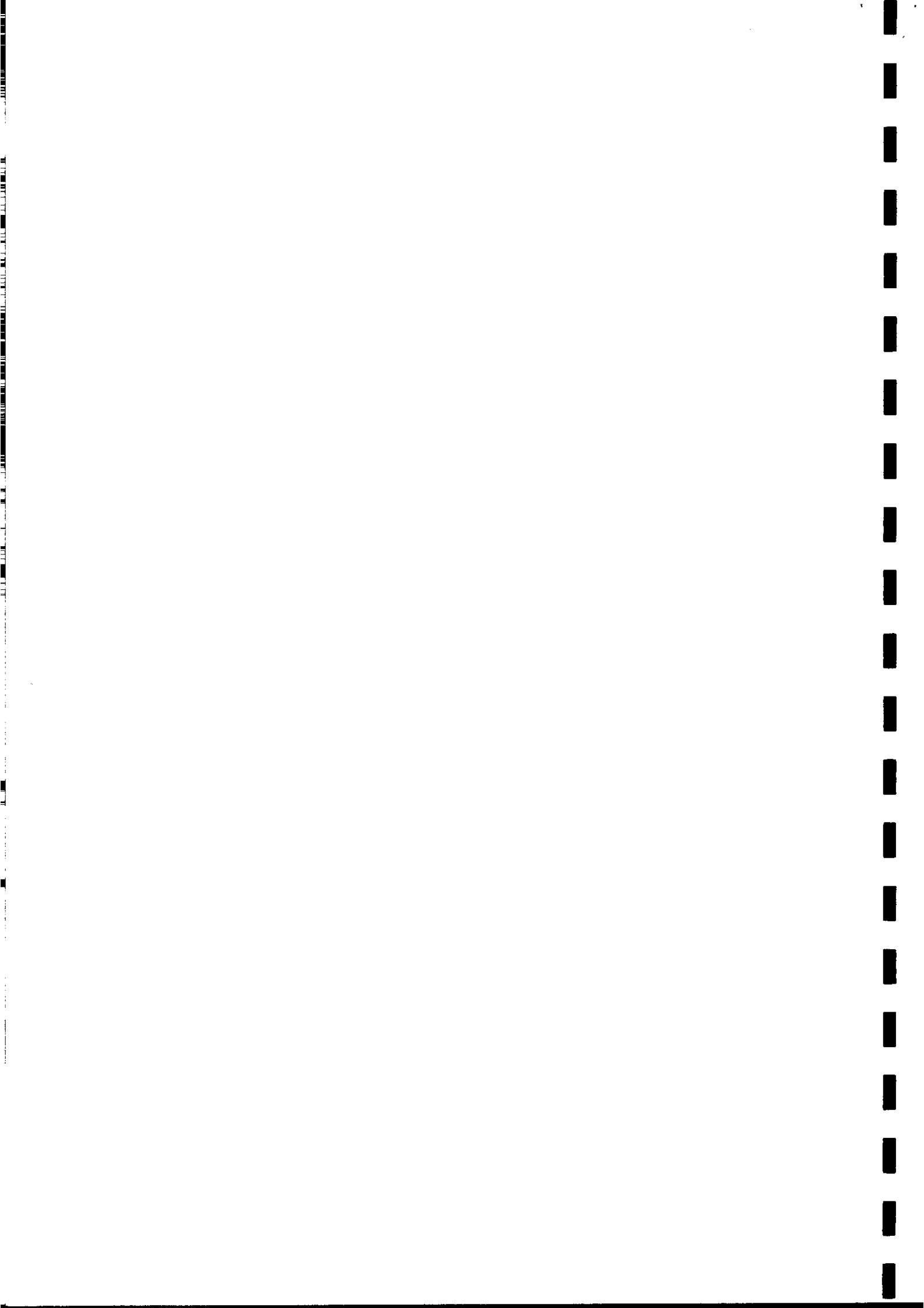
	Notes	2005	2004
<b>FIXED ASSETS</b>			
Tangible assets	6	68,933	97,168
<b>CURRENT ASSETS</b>			
Debtors	7	690,621	754,313
Cash at bank and in hand		739,134	1,046,578
		<u>1,429,755</u>	<u>1,800,891</u>
<b>CREDITORS</b>			
Amounts falling due within one year	8	418,352	576,552
<b>NET CURRENT ASSETS</b>		<u>1,011,403</u>	<u>1,224,339</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,080,336	1,321,507
<b>CREDITORS</b>			
Amount falling due after one year		-	-
Net assets		<u>1,080,336</u>	<u>1,321,507</u>
<b>CAPITAL AND RESERVES</b>			
Unrestricted funds:			
- General		579,263	653,490
Restricted funds		501,073	668,017
Total funds		<u>1,080,336</u>	<u>1,321,507</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Signed on behalf of the board of directors

  
 Director L.K.L. Williams  
 Approved by the board on

  
 28 September 2005



**GROUNDWORK CAERPHILLY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005**

**1. ACCOUNTING POLICIES**

**Basis of Accounting**

The accounts have been prepared under the historical cost convention. The accounts, incorporating a statement of financial activities have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), the Companies Act 1985 and follow the recommendations in the Statement of Recommended Practice (SORP) – "Accounting and Reporting by Charities" issued in October 2000.

**Fund Accounting**

Unrestricted Funds are available for use at the discretion of the directors in furtherance of the Trust's general objectives.

Restricted funds are funds subject to specific restrictive conditions imposed by the terms of the grant or funding body.

Designated funds are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

**Incoming Resources**

Income and grants are included in incoming resources when receivable, except as follows:-

- When donors specify that the grants must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the Charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.
- When donors specify that grants are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

**Gifts in Kind**

Gifts in kind are not valued in the accounts.

**Resources Expended**

Expenditure has been allocated to management and administration of the Trust, where it relates to the management of the Trust's assets, organisational administration and compliance with constitutional and statutory requirements.

Resources expended are recognised in the period in which they are incurred.

**Tangible fixed assets**

Fixed assets are capitalised at cost.

Depreciation is calculated so that the cost of tangible assets or valuation less any residual value is written off over their estimated useful lives on the following basis:-

Computers	33.33% On Cost
Motor Vehicles	20% On Cost
Office Equipment	20% On Cost
Plant and Machinery	20% On Cost

**GROUNDWORK CAERPHILLY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005 (Continued)**

**Capital Grants Received**

Grants that relate to specific capital expenditure are treated as restricted funds that are released to the credit of the income and expenditure account over the useful life of related assets.

**Hire Purchase Contracts and Finance Leases**

Assets acquired under such agreements are recorded in the Balance Sheet at their fair value and as an obligation to pay future rentals at the inception of the contract. The total finance charge is not allocated to accounting periods during the lease term so as to produce a constant periodic rate of charge on the remaining balance sheet obligation, but on a straight line basis as, in the opinion of the Directors, this represents a reasonable approximation thereto. The capital element of future payments is treated as a liability and the interest element is charged to the Income and Expenditure Account.

**Operating Lease Costs**

The rentals under operating leases, where substantially all the benefits and risks of ownership remain with the lessor, are charged against profit as incurred.

**Pension Costs**

The Trust contributes to employees' own personal Pension Schemes. This Pension cost charge represents contributions payable by the Trust to the individual schemes.

**2. STATUS**

Groundwork Caerphilly is a company limited by guarantee, not having a share capital, exempt from the requirement to use the word 'limited' and is a registered charity. The liability of each member under the guarantee is limited to £1 (one pound).

**3. TOTAL INCOMING RESOURCES**

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
<b>SPONSORSHIP FUNDING</b>		
- National Assembly for Wales	146,750	152,200
- Caerphilly County Borough Council	43,000	43,000
<b>PROJECT INCOME</b>		
Public Agencies and National Charities		
- Lottery Board	424,098	122,506
Welsh Assembly	163,842	104,743
Local Authority	449,124	569,074
European Union	380,233	663,458
Private Sector	37,931	320,226
	<hr/>	<hr/>
	1,644,978	1,975,207
Adjustment on disposal of Fixed Assets	340	300
Other Income (Including Recycling Centre)	56,539	48,126
Unrestricted Other Income	44,010	-
Interest received	36,093	16,143
	<hr/>	<hr/>
	1,781,960	2,039,776

**GROUNDWORK CAERPHILLY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005 CONTINUED**

**4. NET INCOMING RESOURCES BEFORE TRANSFERS IS STATED AFTER CHARGING**

	<b>2005</b> <b>£</b>	<b>2004</b> <b>£</b>
Staff Costs (See Note 5)	810,674	699,849
Auditors Remuneration	4,500	4,500
Depreciation – Owned Fixed Assets	32,876	33,311
	<u>          </u>	<u>          </u>

**5. TOTAL RESOURCES EXPENDED**

	<b>Staff Costs</b>  <b>£</b>	<b>Other Direct Costs</b>  <b>£</b>	<b>2005 Total</b>  <b>£</b>	<b>2004 Total</b>  <b>£</b>
Direct Project Expenditure	632,709	1,046,342	1,679,051	1,345,882
Management and Administration of the Charity	177,965	166,115	344,080	368,827
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	810,674	1,212,457	2,023,131	1,714,709
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

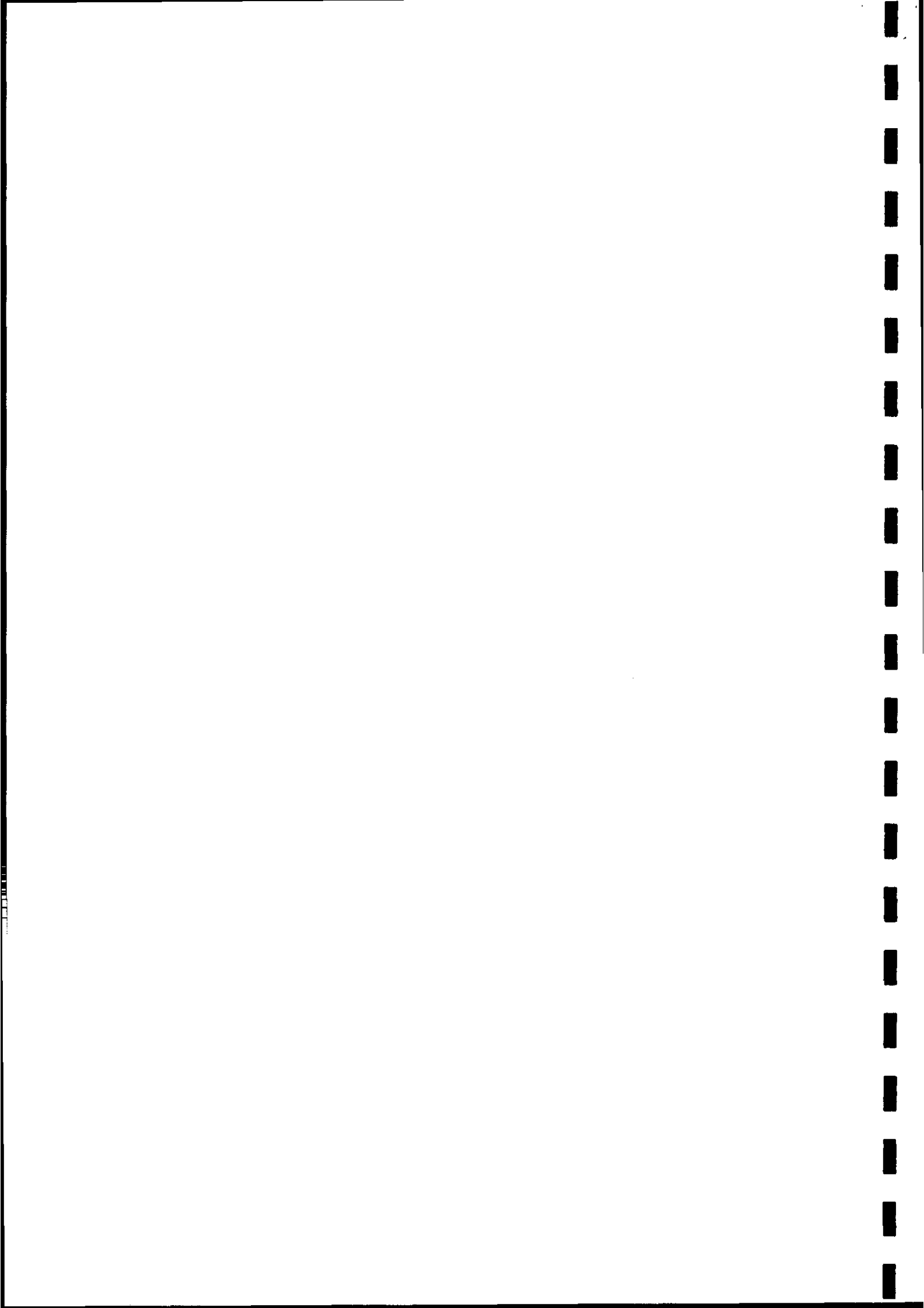
<b>Staff Costs</b>	<b>2005</b> <b>£</b>	<b>2004</b> <b>£</b>
Wages and Salaries	721,880	635,930
Social Security Costs	81,067	54,524
Pension Costs	7,727	9,395
	<u>          </u>	<u>          </u>
	810,674	699,849
	<u>          </u>	<u>          </u>

No employee received emoluments of more than £50,000

The average number of employees, analysed by function was:-

	<b>2005</b>	<b>2004</b>
Direct Charitable expenditure	35	29
Management and Administration of the Charity	5	7
	<u>          </u>	<u>          </u>
	40	36
	<u>          </u>	<u>          </u>

The directors were not paid or reimbursed for expenses during the year.



**GROUNDWORK CAERPHILLY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005 (Continued)**

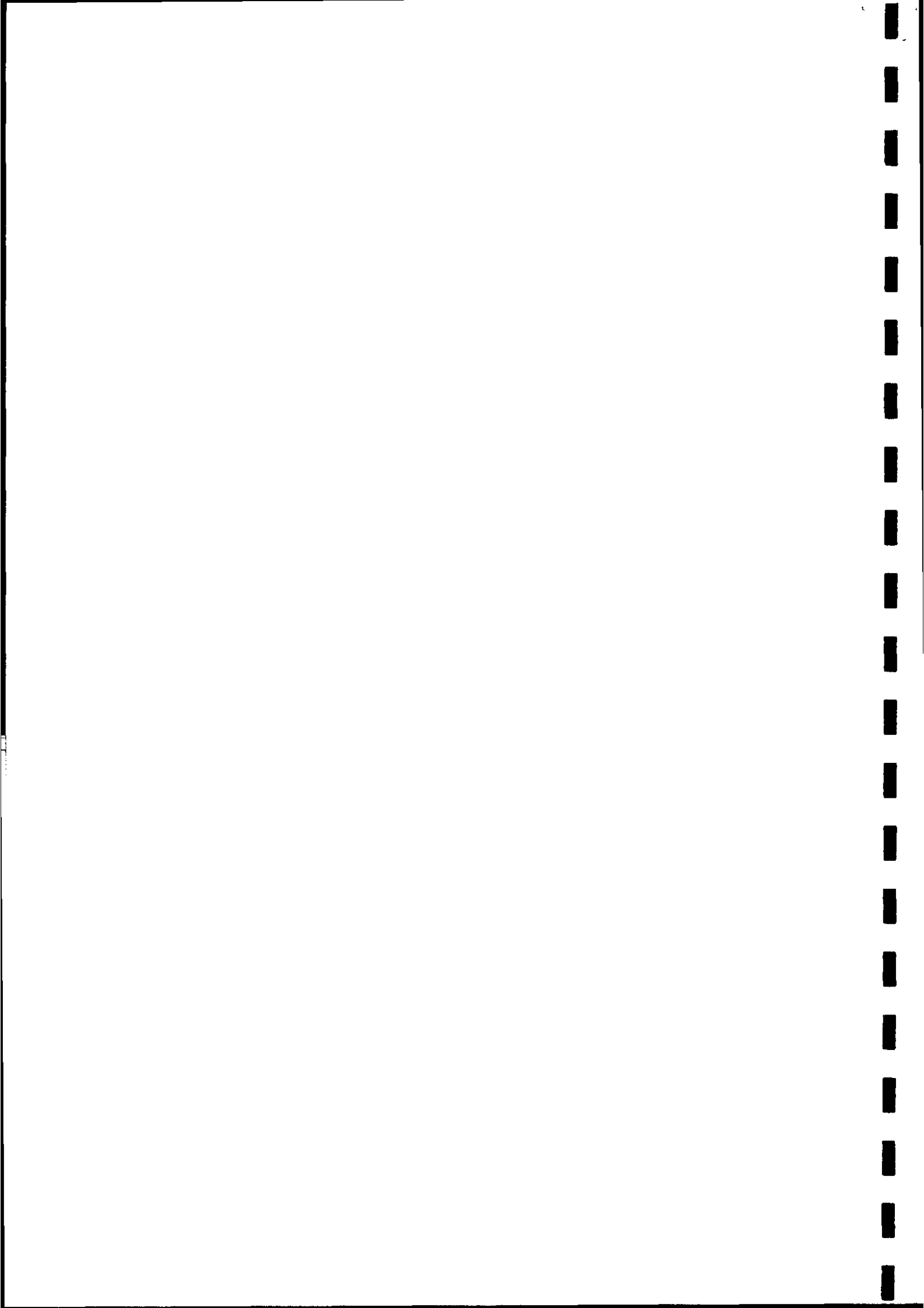
**6. TANGIBLE FIXED ASSETS**

	<b>Plant and Machinery etc £</b>
<b>Cost</b>	
At 1 <sup>st</sup> April 2004	240,307
Additions	8,357
Disposals	(4,645)
	<hr/>
At 31 <sup>st</sup> March 2005	244,019
	<hr/>
<b>Depreciation</b>	
At 1 <sup>st</sup> April 2004	143,139
Eliminated on disposals	(929)
Charge for year	32,876
	<hr/>
At 31 <sup>st</sup> March 2005	175,086
	<hr/>
<b>Net Book values</b>	
At 31 <sup>st</sup> March 2005	68,933
	<hr/>
At 31 <sup>st</sup> March 2004	97,168
	<hr/>

**7. DEBTORS**

	<b>2005 £</b>	<b>2004 £</b>
Trade and grant debtors	484,328	668,974
Prepayments and accrued income	206,293	85,339
	<hr/>	<hr/>
	690,621	754,313
	<hr/>	<hr/>





**GROUNDWORK CAERPHILLY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005 (Continued)**

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2005</b> <b>£</b>	<b>2004</b> <b>£</b>
Bank loans and overdrafts	17,768	-
Trade creditors	130,983	313,538
Customs and excise	13,689	33,369
Sundry creditors	27,572	47,929
Accruals and deferred income	<u>228,340</u>	<u>181,716</u>
	<u>418,352</u>	<u>576,552</u>
Deferred income		
Balance at 1.4.04	89,536	65,525
Movement in the year	<u>3,109</u>	<u>24,011</u>
Balance at 31.3.05	<u>92,645</u>	<u>89,536</u>

**9. FUNDS**

	<b>Balance at</b> <b>1<sup>st</sup> April 2004</b>	<b>Movement in</b> <b>the Year</b>	<b>Balance at</b> <b>31<sup>st</sup> March</b> <b>2005</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Unrestricted funds	653,490	(74,227)	579,263
Restricted funds	668,017	(166,944)	501,073
	<u>1,321,507</u>	<u>(241,171)</u>	<u>1,080,336</u>

**GROUNDWORK CAERPHILLY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005 (Continued)**

Restricted Funds

	At 1 <sup>st</sup> April 2004	Incoming Resources	Outgoing Resources	At 31 <sup>st</sup> March 2005
Community Environmental Network	34,733	293,726	259,651	68,808
Sustainable Communities	30,300	613,381	667,696	(24,015)
Learning & Development	-	36,671	36,671	-
Youth Environment	15,525	19,571	23,557	11,539
Community Spaces	227,964	44,256	206,410	65,810
Environmental Business Services	-	68,439	72,701	(4,262)
Social Enterprise	150,340	436,063	370,271	216,132
Project reserve	204,609	-	42,094	162,515
Marketing reserve	4,546	-	-	4,546
	<hr/>	<hr/>	<hr/>	<hr/>
	668,017	1,512,107	1,679,051	501,073
	<hr/>	<hr/>	<hr/>	<hr/>

**Community Environmental Network** fund is to be used with the Charity's ongoing aim to encourage a community – leader approach regeneration and development.

**Youth Environment** fund relates to monies restricted to use on youth oriented projects/workshops.

**Community Spaces** fund relates to several specified geographical areas and regeneration programmes that are ongoing within the county.

**Social Enterprise** fund includes additional monies generated from the Community Furniture Enterprise Scheme, and these are to be utilised to finance staff and training posts for a longer period than first planned in the feasibility study.

**Project Reserve** fund relates to monies restricted to use in certain areas. These include Mining Villages, Industrial Estates and LSW programmes.

**Marketing Reserve** relates to monies specifically to be utilised against future promotional and literature costs.

**GROUNDWORK CAERPHILLY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005 (Continued)**

**10. COMMITMENTS**

**Capital Commitments**

At 31<sup>st</sup> March 2005 there were no capital commitments (2004 - Nil).

**11. PENSION COSTS**

The Trust contributes to employee's own personal pension schemes. The pension cost charge represents contributions paid by the Trust to the individual schemes and amounted to £7,727 (2004 £9,395).

**12. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME**

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Bank Interest Received	<u>36,093</u>	<u>16,143</u>

**13. TAXATION**

No provision has been made for taxation as the company was established for charitable purposes and as such will benefit from exemption relation to charities.

**14. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**

	<b>General Fund £</b>	<b>Designated Fund £</b>	<b>Restricted Fund £</b>	<b>Total £</b>
Tangible fixed assets	68,933	-	-	68,933
Net current assets	<u>510,330</u>	<u>-</u>	<u>501,073</u>	<u>1,011,403</u>
	<u>579,263</u>	<u>-</u>	<u>501,073</u>	<u>1,080,336</u>