

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

**Charity Registration Number 1006811**

**Annual Report & Consolidated Financial Statements**  
**For the year ended 31 March 2009**



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

**GROUNDWORK CAERPHILLY  
FOR THE YEAR ENDED 31 MARCH 2009**

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# **GROUNDWORK CAERPHILLY MEMBERS, DIRECTORS AND ADVISORS**

## **Board of Directors**

**Chairman** Mr B Davies

**Vice Chairman** Mr R H Cooke

**Other Board Members** Councillor Leon Gardiner (Caerphilly County Borough Council)  
(resigned May 2008)  
Councillor M Parker (Caerphilly County Borough Council)  
(Appointed May 2008)  
Councillor S Jenkins (Caerphilly County Borough Council)  
Councillor J Evans (Caerphilly County Borough Council) (Appointed  
May 2008)  
Councillor R Woodyatt (appointed Sept 2008)  
Mr L K L Williams  
Mr C Davenport (resigned Sept 2008)  
Mr P G Davy  
Mr M Veale  
Ms H Usher (appointed Mar 2009)  
Dr K Bathgate (appointed Mar 2009)  
Ms W Bourton (appointed Mar 2009)

**Board Advisors** Mr I McIntosh (Director of Groundwork Wales)

**Executive Director** Mrs K Hollings (appointed June 2008)

**Secretary & Registered Office** Mr P Davy (appointed Mar 2009)  
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 MARCH 2009**

The directors present their annual report with the accounts of the Company for the year ended 31<sup>st</sup> March 2009.

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 over 40 independent Trusts, which form part of the national Groundwork network, supported by Groundwork UK.

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's national network vision is the '*the kind of world we want to see*' - a society of sustainable communities which are vibrant, healthy and safe, which respect the local and global environment and where individuals and enterprise prosper.

Groundwork's national mission is '*our role in making the vision a reality*' - to transform lives and places in communities in need in the UK.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing Document**

The organisation is a charitable company limited by guarantee, incorporated as a company on 14<sup>th</sup> May 1990 and registered as a charity (Charity No. 1006811) with the Charity Commission on 13<sup>th</sup> December 1991. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.00.

### **Recruitment and Appointment of Board of Trustees**

The directors and members as at 31<sup>st</sup> March 2009 are set out on page 1.

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Board of Trustees. Under the requirements of the Memorandum and Articles of Association the members of the Board of Trustees are elected to serve a period of three years after which they must be re-elected at the next Annual General Meeting.

All members of the Board of Trustees give their time voluntarily and received no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

The charity's work inevitably focuses upon environmental regeneration and community development. The Board of Trustees seeks to ensure that the needs of the Board are appropriately reflected through the diversity of the trustee body. To enhance the potential pool of trustees the charity has networked with local organisations who would be willing to become Board Members of the Trust and use their experience to assist the charity.

The more traditional business, community development and environmental regeneration skills are represented on the Board of Trustees. Individuals are approached to offer themselves for election to the Board of Trustees, thus providing further information on the range of skills and experience they possess.

**GROUNDWORK CAERPHILLY  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MARCH 2009**

**Trustees Induction and Training**

Most Board Members are familiar with the work of the charity and are offered to attend the annual Board Project Tour and invited to attend any project launches and events that are held throughout the year. Governance training is offered on a regular basis to Board Members throughout their term of membership.

Additionally, new Board Members are invited and encouraged to attend an induction programme consisting of short informal meetings, project visits and formal training to familiarise themselves with the charity and the context in which it operates. They are jointly led by the Chair of the Board of Trustees and the Executive Director of the Trust and covers:

- The obligations of the Board of Trustees
- The main documents which set out the operational framework of the charity including the Memorandum and Articles
- Resourcing and current financial position as set out in the latest published accounts
- Future plans and objectives.

Trustees are also given a copy of the Charity Commission's guide the 'Essential Trustee' with the initial information with the above documents as part of their induction programme. They are supplied with updated publications as appropriate and information in connection with the running of the Trust such as a management overview, programmes update, people management, quality and financial management accounts are circulated in advance of each Board Meeting which are held on a quarterly basis.

**Risk Management**

The Board of Trustees 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. The risk register is reviewed on at least an annual basis. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of all staff, volunteers, clients and visitors to the Trust. All procedures are periodically reviewed to ensure that they continue to meet legal requirements and the needs of the charity.

**Organisational Structure**

Groundwork Caerphilly has a Board of Trustees of up to 17 members who meet quarterly and are responsible for the strategic direction and policy of the charity. At present the Board has 9 Co-Opted Trustees from a variety of professional backgrounds relevant to the work of the charity, 3 Nominated Trustees representing Caerphilly County Borough Council with 2 advisors from Groundwork Wales and Caerphilly County Borough Council. Advisors of the Board of Trustees have no voting rights. The Trust's management team normally attend Board Meetings to report on the Trust's progress and Trust status but they have no voting rights.

A scheme of delegation is in place and day to day responsibility for the provision of services rest with the Executive Director along with the support of the services of the management team. The Executive Director is responsible for ensuring that the charity delivers the services specified and that key performance objectives are met. The support of the management team ensures that operational management, individual supervision of staff and also ensuring that the team continue to develop their skills and working practices in line with good practice.

**Related Parties**

In so far as it is complimentary to the charity's objects, the charity is guided by local, regional and national policy. Groundwork Caerphilly is still committed to the Caerphilly Community Strategy by working with the Local Authority and other voluntary sector organisations as well as continuing our current operations within the Caerphilly County Borough and developing new work. Groundwork Caerphilly will continue redefining its shape and structure in the context of the development of Groundwork in Wales by moving towards regionalisation and cross-boundary Local Authority working. Groundwork in Wales is developing its range of 'Cross-Boundary' programmes offering the potential to develop work in new areas and a stronger network of

**GROUNDWORK CAERPHILLY  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MARCH 2009**

national and regional partnerships. Our positioning within the Heads of the Valleys strategy and EU Convergence programme is of paramount importance. We are developing work in Torfaen (for example through the Mentro Allan/Stepping Out programme) and aim to make further approaches to this Local Authority and to Newport CBC during the coming year.

**Responsibilities of the Board of Trustees**

Company law requires the Board of Trustees to prepare financial statements for each financial year which gives a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the Board of Trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently;
- Make judgement and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is not appropriate to assume that the company will continue on that basis.

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

**Members of the Board of Trustees**

The Board of Trustees, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1.

In accordance with company law, as the company's directors, we certify that:

- So far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- As the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

**FINANCIAL REVIEW**

Against the backdrop of limited reserves, funding coming to an end and lack of funding available it has been difficult to plan or develop programmes. Nevertheless the charity, as a result of a thorough review of our core and programme systems and support of its management, staff and volunteers generated less of a financial deficit than initially anticipated. Its success in obtaining new funding for 2009/10 from new and existing funding streams to work within current and new areas will provide much needed additional resources.

**Principal Funding Sources**

The principal sources of funding for the charity are currently by way of core funding from the Welsh Assembly Government and Caerphilly County Borough Council and grant income from Welsh Assembly Government's Communities First programme, Cymorth, Rural Development Plan and Big Lottery Fund. The charity will need to seek funding from a much broader group of agencies and involve more organisations and partners to provide opportunities for a much wider range of funding in the future.

**GROUNDWORK CAERPHILLY  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MARCH 2009**

**Reserves Policy**

Reserves are required to :-

- Fund working capital
- Fund income shortfalls
- Develop new functions/projects
- Underpin long term commitments
- Fund unexpected expenditure arising out of e.g. project deficits, unplanned events, emergencies

The Directors consider that a level of free reserves sufficient to sustain the costs of the Trust for 3 months is needed, which for the year to 31 March 2010 is budgeted at £270,750. The actual level of free reserves at 31 March 2009 is £148,863.

The Trust is taking steps to increase reserves by:-

- Employing a business development manager
- Ensuring robust overhead recovery written into bids
- Developing more commission/contract work
- Continuing to work closely with developing profit making activities in the trading subsidiary
- Legal agreement in place with the trading company for regular repayments of inter company loan

Reserves will be monitored and reviewed quarterly.

**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.

**GROUNDWORK CAERPHILLY  
REPORT OF THE DIRECTORS  
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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.

**Investment Policy**

The Trust does not hold any investments.

**Review of Business And Plans for Future Periods**

The nineteenth financial year for the Trust ended on 31<sup>st</sup> March 2009 and once again the Trust has continued to further develop its key programmes as part of a strategic approach to the environmental regeneration of Caerphilly County Borough and its surrounding area.

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 charity plans to continue the activities outlined within its business plan for 2009/10. Plans are also being developed to work on a number of new programmes with the local authority, local organisations and partners which will hopefully lead to long term sustainability.

The objectives for the year are set out within the Trust's Business Plan for 2009/10.

The results for the year are set out on pages 14-17 of the Financial Statements.

**PUBLIC BENEFIT STATEMENT**

Our main objective and who we try to help are described above. All our charitable activities focus on social, environmental and economic regeneration and are undertaken to further our charitable purposes for the public benefit.

Who used and benefited from our services?

Our objects and funding limit the services we provide to those resident within the Caerphilly County Borough and its surrounding areas. Further information about who benefits directly from our services is explained in the analysis of performance and achievements within the report.

The main areas of charitable activity over the last year were the provision of community development, youth environment, intermediate labour market, physical activity, environmental regeneration and volunteering programmes. These activities and the achievements that flow from our work are described below:

**Strategic Overview:**

There has been a significant emphasis on developing the 'Groundwork in Wales' brand, in which this Trust has a stated aim to increase its South East Wales coverage and work collaboratively with other Trusts in Wales. The last year has seen the continuing shift to regional and sub-regional agendas and the Trust has needed to position itself within this while ensuring its contribution to local regeneration in Caerphilly.

We have continued to develop our work with a wide range of partners, largely through our work in addressing economic inactivity. We have also increased our range of partnerships with CCBC as a result in the shift in emphasis of our work. However Groundwork in Wales along with much of the voluntary sector has concerns over its ability to access, influence and benefit from key initiatives such as the Heads of the Valleys and EU Convergence funding. We have also utilised initiatives such as setting up a trading subsidiary to gain additional income and develop further opportunities with the Community Furniture Enterprise, WEEE (Waste Electrical and Electronic Equipment) Directive and the development of commercial activities that directly benefit the local environment and communities, to assist with our move away from grant dependency.



**GROUNDWORK CAERPHILLY  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MARCH 2009**

**Organisation:**

There has been a change of leadership at the Trust during the last year with a new Executive Director joining in June 2008. We have undertaken a structure review, and a more cost effective model has resulted, in the light of programmes ending during the year and staff release. Notwithstanding the programme ends, delivery has been considerably enhanced by the improvement in staff retention at project officer level and in particular, we have considerably increased our strength in community engagement and capacity building. This improvement has been recognised by our partners and our communities. We are grateful to the Welsh Assembly government for the continued support of our team through the Communities First initiative, and to the EU for their support, without which these achievements would not be possible.

**OBJECTIVES & ACTIVITIES**

Our charity's purpose as set out in the objects contained in the Company's Memorandum of Association is:

'to bring about the social, environmental and economic regeneration of Caerphilly County Borough and surrounding areas, in partnership with the local authorities, local communities, voluntary sector and businesses'.

The Trust has the following aims:-

- 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.

We review our aims, objectives and activities each year. This review looks at what we achieve and the outcomes of our work in the previous twelve months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us to ensure our aim, objectives and activities remained focused on our stated purpose.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and purposes and in planning our future activities. In particular, the trustees consider planned activities and will contribute to the aims and purposes they have set.

**The focus of our work**

Our main objective for the year continued to be the community development and environmental regeneration of local communities. The approach we used to develop and implement programmes concentrated 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.

**GROUNDWORK CAERPHILLY  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MARCH 2009**

**ACHIEVEMENTS & PERFORMANCE**

**Programmes:**

We have continued to develop the 'people' focussed approach of our work aimed at engaging people at all levels in local regeneration. However, we are committed to retaining a balance of work across the three key themes of People, Places and Prosperity.

Key achievements have been the development of our work in addressing economic inactivity through the On the Ground, Community Spaces and ILM programmes with the commencement of our Mentro Allan programme which focuses on addressing health inequalities through the environment. A significant change with the start of our Trading Company which has led to an upturn in activity at the Community Furniture Enterprise. We have significantly enhanced the communities of Crosskeys & Pontywaun with the successful delivery of a major capital based environmental regeneration programme.

In addition to this, both our Community Environmental Network and Youth Environment programmes were extended for an additional year to the end of March 2009 and have received continuation funding until 2012 and 2010 respectively for these programmes. We have developed 2 new major programmes with an aim to secure additional funding with new work to be undertaken through the Rural Development Plan (RDP) programme commenced during 2008-09 in Caerphilly.

A major disappointment for the Trust included the lack of funding streams coming to fruition. We are hoping that further business development in the next year will ensure that new funded programmes become a reality for the Trust.

**Outputs:**

Performance measurements are reported to Groundwork UK and Welsh Assembly Government.

**PEOPLE**

***Our 'People' programmes aim to bring lasting benefits to local people, their environment and economy, by supporting all members in some of our most marginalised communities to raise self-esteem and foster local pride.***

We work with communities to help them bring about positive changes for themselves and their local environment by developing new skills, raising self-esteem, encouraging a sense of ownership and fostering local pride. Local regeneration partnerships receive support to act as the catalyst of engagement in this process, building capacity and increasing the confidence of individuals and communities.

The integration of our '**People**' work with the wider sustainable development agenda has proven very successful over the past year; our contribution to social, economic and physical regeneration has helped to establish our credentials in the area of community regeneration and development.

**Community Environmental Network**

Our Community Environmental Network team helps local communities play a more active environmental role within their area, through sharing their skills, knowledge and experiences. Communities are encouraged to actively participate in various environmental activities to improve and sustain their local surroundings.

Our officers are encouraged to build relationships with many groups and individuals within the community and to provide guidance in the environment and sustainable lifestyles. They facilitate and help in various activities such as: community environmental audits, planning, appraisals, surveys and workshops. In supporting all 16 Communities First Partnerships the contribution of our team to their Action Plans cannot be underestimated. Some of the environmental projects that the communities identify were implemented through the 'On the Ground' and 'Community Spaces' teams.

**GROUNDWORK CAERPHILLY  
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FOR THE YEAR ENDED 31 MARCH 2009**

When they are not able to offer advice directly, they can count on the advice and support of the many other specialist officers within the Trust, not to mention those within our local authority and other partner organisations; Caerphilly County Borough really does have a great team approach.

**On The Ground**

This volunteering based 'On the Ground' programme allowed us to offer people a chance to engage in practical environmental projects; unlike its related Community Spaces programme, the focus is on small locally owned sites within individual communities. We have given support and encouragement to some of our more disadvantaged members of society to become involved in their community enabling them to gain new skills, confidence, experience and demonstrate how, when the right level of support is given, local people are able to create positive change in their own communities.

By improving the local physical environment the project has provided a long awaited facelift to many of our local communities and may in time encourage more visitors and investors into our beautiful (and underrated) areas, offering opportunities for growth of the local economy. Many of the projects were developed through the Community Environmental Network team as part of their work in supporting local community partnerships to deliver on their Community First Action Plan and since the start of the programme have been supported with over 300 volunteers involved in schemes. This programme was funded by the European Regional Development Fund and the Welsh Assembly Government and came to an end in August 2008.

**Youth Environment**

All too often issues facing young people are seen as a 'problem'. Young people are of course our future; our well established and very successful Youth Environment initiative creates the perfect antidote to such negative perceptions by using the environment to make the most of the enormous potential of the young people in our communities.

The programme, through funding from the Welsh Assembly Government via Cymorth, offers young people the opportunity to make a positive contribution to their communities by participating in a wide and varied range of environmental and sustainable activities and informing them of alternative ways of thinking and behaving, particularly in terms of human impact on the environment and their own carbon footprint; it is certainly a programme that keeps pace with current issues!

During the last year, our Youth Environmental Officer has almost single handedly delivered over 20 projects involving 170 young people with some help from our friends at Caerphilly County Borough Council.

**Stepping Out (Mentor Allan)**

Stepping Out is a 4 year programme aiming to bring health and the environment together, funded by the Big Lottery working within both County Boroughs of Caerphilly and Torfaen. The environment provides a wealth of opportunity for encouraging people to live more healthy lifestyles and there is a proven connection between social and economic disadvantage and poor health and wellbeing. This programme aims to develop links with local communities to promote outdoor activities and help them connect with their natural environment.

The activities are fun and enjoyable providing low-moderate intensity opportunities such as walking, cycling, gardening, tai chi, archery and community picnics. We also raise awareness on physical activity, health and wellbeing with additional workshops on nutrition, stress management, cooking, alternative therapies and general well-being.

**Routes 2 Life**

Groundwork Caerphilly has recently received funding from the Rural Development Plan for Wales called Routes 2 Life. The project is based on 1.5 acres of land in Cwmfelinfach where a variety of fruit and vegetables are being grown and then show cased at local farmers markets. The aim of the project is to provide horticultural and countryside based opportunities to individuals who wish to learn new skills, gain qualifications and meet new people.

**GROUNDWORK CAERPHILLY  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MARCH 2009**

**PLACES**

***'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'.***

*These programmes reflect Groundwork's continuing work to address broader physical environmental issues: a focus on the relationship between people and their living, social and working environments.*

**Crosskeys & Pontywaun Environmental Regeneration Programme**

This programme was one of our largest environmental regeneration programme funded through nearly £1m of Welsh Assembly Government and European Union funding, providing a long awaited facelift to two of our most historic villages and in the case of Pontywaun, a highly valued conservation area. This programme came to an end in August 2008. The programme included:

- Educational riverside walk with winding paths
- Recreational canal landscape features
- Stone carved village corner with a bold brass mural
- New signage and village entrance features
- Access features bringing tourism along with prosperity
- Enhancements to local leisure facilities
- Community based events and activities, including the Green Park Festival which has been held for 3 consecutive years.

**Community Spaces**

Similar to our 'On the Ground' programme, Community Spaces builds the capacity of local communities to identify and manage projects, combining both practical volunteering and capacity building work with physical environmental regeneration, it increases our portfolio of work aimed at tackling economic inactivity by providing educational opportunities, training and potential employment through volunteering.

Community Spaces focused on large open spaces, surrounded by and accessible to adjoining local communities and which are local and potentially regional significance. They provide real opportunities for local communities to connect directly with the environment on their doorstep; combined with our other work.

This programme operated in three locations within the Caerphilly County Borough; Parc Penallta (our longest running project), Cefn Fforest Ecopark and the Upper Sirhowy Valley. These were major long-standing projects for the Trust, ensuring long term sustainable ownership by local communities. The programme came to an end in August 2008 was funded by ERDF and the Countryside Council for Wales (CCW).

**PROSPERITY**

***'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'.***

**Intermediate Labour Market**

This programme was funded by the European Social Fund (ESF) which enabled us to offer training and temporary paid employment to local disadvantaged people, with the hope of enabling them to gain access to permanent work by providing transition from welfare to employment. This work was vital in a region with such high levels of long term inactivity. The people we helped worked on projects which included practical countryside skills, environmental regeneration and recycling and reuse projects, hopefully widening their understanding of sustainable development. They helped host employers provide goods and services to local communities whilst acquiring skills, qualifications, work experience and raised awareness of their own value and role as active citizens.

This programme was successful in the short space of time it was running (ended in August 2009), had 48 employees with a success rate of over 50% of employees finding employment during or at the end of their employment placement period. However, this programme was a lot more than just about numbers. It was

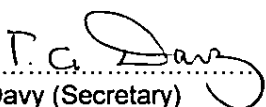
**GROUNDWORK CAERPHILLY  
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about the real success stories and tremendous differences we are making to the lives of people who previously had few prospects for the future. Our work within this programme was about providing people with as much encouragement, training and support as we can. However, this is one area of work that would not have been achieved without the support and contribution from our partners either by funding the project, providing placements or employment opportunities.

**Partnerships**

We work to develop, maintain and support partnerships with other organisations from the public, private, voluntary and community sectors at local, regional and national levels. They must fit and support the strategic direction and growth of the Trust and have a shared ethos of commitment and mutual benefit.

Approved by the Board of Trustees on 11 November 2009 and signed on its behalf by:

  
.....  
P Davy (Secretary)

REGISTERED OFFICE  
Mynyddislwyn Offices  
Bryn Road  
Pontllanfraith  
Blackwood  
NP12 2BH

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF GROUNDWORK CAPERHILLY FOR THE YEAR ENDED 31 MARCH 2009**

Broomfield & Alexander Limited were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

This report is made solely to the charitable company's members, as a body, in accordance with section 495 and 496 of the Companies Act 1985. 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 audit'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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

We have audited the financial statements of Groundwork Caerphilly for the year ended 31 March 2009 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. The financial statements have been prepared under the accounting policies set out therein.

### **Respective responsibilities of trustees and auditors**

The trustees (who are also the directors of the company for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

The trustees have elected for the financial statements not to be audited in accordance with the Companies Act 1985. Accordingly, we have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 information given in the Trustees Annual Report is not consistent with those financial statements, if the charity has not kept proper accounting records, if the charity's financial statements are not in agreement with these accounting records or if we have not received all the information and explanations we require for our audit.

We read the Trustees' Annual Report and consider the implications for our report if we become of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 trustees in the 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 GROUNDWORK CAPERHILLY  
FOR THE YEAR ENDED 31 MARCH 2009**

**Opinion**

In our opinion

- The consolidated financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the group as at 31 March 2009, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- The financial statements have been properly prepared in accordance with the Companies Act 1985.

*Broomfield & Alexander* →

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

Dated: 11 November 2009

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2009**

	NOTES	UN- RESTRICTED FUNDS	RESTRICTED FUNDS	TOTAL 2009	TOTAL 2008
		£	£	£	£
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds	1				
- Voluntary Income		-	-	-	-
- Trading income		218,047	-	218,047	115,026
- Investment Income		5,701	-	5,701	18,527
Incoming resources from charitable activities	2	-	1,224,573	1,224,573	1,918,565
Other incoming resources	3	-	450	450	56,104
<b>TOTAL INCOMING RESOURCES</b>		<b>223,748</b>	<b>1,225,023</b>	<b>1,448,771</b>	<b>2,108,222</b>
<b>RESOURCES EXPENDED</b>					
Costs of generating funds	5	-	-	-	-
Charitable activities	4	-	1,282,819	1,282,819	2,400,021
Governance	6	-	9,650	9,650	8,867
Trading company costs	11	247,387	-	247,387	148,562
<b>TOTAL RESOURCES EXPENDED</b>		<b>247,387</b>	<b>1,292,469</b>	<b>1,539,856</b>	<b>2,557,450</b>
Net Incoming Resources before other recognised gains and transfers		(23,639)	(67,446)	(91,085)	(449,228)
<b>TRANSFERS BETWEEN FUNDS (Gross)</b>		<b>(6,267)</b>	<b>6,267</b>	<b>-</b>	<b>-</b>
Reconciliation of funds					
Total funds brought forward		178,769	67,825	246,594	695,822
<b>Total funds carried forward</b>		<b>148,863</b>	<b>6,646</b>	<b>155,509</b>	<b>246,594</b>

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

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

The notes on pages 18 – 29 form part of the financial statement



**CHARITY STATEMENT OF FINANCIAL ACTIVITIES  
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2009**

	NOTES	UN- RESTRICTED FUNDS	RESTRICTED FUNDS	TOTAL 2009	TOTAL 2008
		£	£	£	£
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds	1				
- Voluntary Income		-	-	-	-
- Investment Income		5,701	-	5,701	18,527
Incoming resources from charitable activities	2	-	1,224,573	1,224,573	1,918,565
Other incoming resources	3	-	450	450	56,104
<b>TOTAL INCOMING RESOURCES</b>		<b>5,701</b>	<b>1,225,023</b>	<b>1,230,724</b>	<b>1,993,196</b>
<b>RESOURCES EXPENDED</b>					
Costs of generating funds	5	-	-	-	-
Charitable activities	4	-	1,282,819	1,282,819	2,400,021
Governance	6	-	9,650	9,650	8,867
<b>TOTAL RESOURCES EXPENDED</b>		<b>-</b>	<b>1,292,469</b>	<b>1,292,469</b>	<b>2,408,888</b>
Net Incoming Resources before other recognised gains and transfers		5,701	(67,446)	(61,745)	(415,692)
<b>TRANSFERS BETWEEN FUNDS (Gross)</b>		<b>(6,267)</b>	<b>6,267</b>	<b>-</b>	<b>-</b>
Reconciliation of funds					
Total funds brought forward		212,305	67,825	280,130	695,822
<b>Total funds carried forward</b>		<b>211,739</b>	<b>6,646</b>	<b>218,385</b>	<b>280,130</b>

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

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

The notes on pages 18 – 29 form part of the financial statement

**GROUNDWORK CAERPHILLY  
CONSOLIDATED BALANCE SHEET AT 31 MARCH 2009**

	Notes	2009	2009	2008	2008
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	10		<b>11,878</b>		18,782
<b>CURRENT ASSETS</b>					
Debtors	12	<b>155,039</b>		368,279	
Cash at bank and in hand		<b>145,216</b>		271,505	
		<b>300,255</b>		639,784	
<b>CREDITORS</b>					
Amounts falling due within one year	13	<b>(156,624)</b>		(411,972)	
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>143,631</b>		227,812
<b>CREDITORS</b>					
Amounts falling due after more than one year			-		-
<b>NET ASSETS</b>			<b>155,509</b>		246,594
<b>CAPITAL AND RESERVES</b>					
Restricted income funds	16		<b>6,646</b>		67,825
Unrestricted income funds	17		<b>148,863</b>		178,769
<b>Total funds</b>			<b>155,509</b>		246,594

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 January 2007).

Signed on behalf of the board of directors



Director B Davies

Approved by the board on 11 November 2009

The notes on pages 18 – 29 form part of the financial statement

**GROUNDWORK CAERPHILLY  
CHARITY BALANCE SHEET AT 31 MARCH 2009**

	Notes	2009	2009	2008	2008
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	10		5,389		8,949
<b>CURRENT ASSETS</b>					
Debtors	12	226,097		449,384	
Cash at bank and in hand		<u>139,403</u>		<u>270,413</u>	
		365,500		719,797	
<b>CREDITORS</b>					
Amounts falling due within one year	13	<u>(152,704)</u>		<u>(448,616)</u>	
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			212,796		271,181
<b>CREDITORS</b>					
Amounts falling due after more than one year			-		-
<b>NET ASSETS</b>			<u>218,285</u>		<u>280,130</u>
<b>CAPITAL AND RESERVES</b>					
Restricted income funds	16		6,646		67,825
Unrestricted income funds	17		<u>211,739</u>		<u>212,305</u>
Total funds			<u>218,285</u>		<u>280,130</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 January 2007).

Signed on behalf of the board of directors



Director Mr B Davies

Approved by the board on 11 November 2009

The notes on pages 18 ~ 29 form part of the financial statement

**GROUNDWORK CAERPHILLY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009**

**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 January 2007), the Companies Act 1985 and follow the recommendations in the Statement of Recommended Practice (SORP) – "Accounting and Reporting by Charities" revised in 2005.

**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.

**Allocation of Expenditure**

Expenditure incurred by the charity in the year has been split between restricted and unrestricted funds. Costs have been analysed between direct charitable expenditure, fundraising and publicity and the administration and management of the charity. Expenditure relating directly to a cost category has been charged to that account. Expenditure, which includes more than one cost category, has been apportioned on a reasonable, justifiable and consistent basis to the categories involved. Committed expenditure that has yet to be invoiced is, in line with best accounting practice, not recognised in these accounts. It is intended that such expenditure will be funded by future income flows.

**Liabilities Policy**

Liabilities are recognised in the Financial Statements as they become payable.

**Charitable Activities**

This includes all expenditure directly related to the aims of the charity as follows:

- To promote the conservation, protection and improvement of the physical and natural environment.
- 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.
- To advance public education in environmental matters and in the ways of better conserving, protecting and improving the environment.

**GROUNDWORK CAERPHILLY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009 (Continued)**

**ACCOUNTING POLICIES (Continued)**

**Governance Costs**

These costs include the costs of governance arrangements, which relate to the general running of Groundwork Caerphilly as opposed to the direct management functions inherent in generating funds, service delivery and programme of project work. These include such items as external audit, legal advice for trustees and costs associated with constitutional and statutory requirements.

**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
Office Equipment	20% On Cost
Plant and Machinery	20% On Cost

**Capital Grants Received**

Grants that relate to capital expenditure on specific projects are treated as restricted funds that are charged to the income and expenditure account at acquisition. This treatment is due the nature of the funding as the grants are received to provide equipment to specifically run the projects and services.

**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.

**GROUNDWORK CAERPHILLY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009 (Continued)**

**1. INCOMING RESOURCES FROM GENERATED FUNDS**

	Unrestricted funds £	Restricted funds £	Total 2009 £	Total 2008 £
<b>Voluntary Income</b>				
- National Assembly for Wales	-	-	-	-
- Caerphilly County Borough Council	-	-	-	-
	-	-	-	-
<b>Trading income</b>				
- Community Furniture Initiative	136,893	-	136,893	44,368
- Kerbside	47,343	-	47,343	62,895
- WEEE	12,912	-	12,912	6,183
- Other	20,899	-	20,899	1,580
	218,047	-	218,047	115,026
<b>Investment income</b>				
- Bank Interest received	5,701	-	5,701	18,527

**2. CHARITABLE ACTIVITIES**

**Income was received for:**

	Unrestricted funds £	Restricted funds £	Total 2009 £	Total 2008 £
People	-	607,681	607,681	637,087
Places	-	366,573	366,573	836,715
Prosperity	-	1,166	1,166	237,403
Performance	-	15,095	15,095	74,631
Partnership	-	234,058	234,058	207,360
	-	1,224,573	1,224,573	1,993,196

**Income from charitable activities was provided by:**

	Unrestricted funds £	Restricted funds £	Total 2009 £	Total 2008 £
Public Agencies and National Charities	-	168,511	168,511	215,168
Welsh Assembly	-	345,498	345,498	299,246
Local Authority	-	204,875	204,875	404,109
European Union	-	471,806	471,806	982,342
Private Sector	-	33,883	33,883	1,369
Other	-	-	-	16,331
	-	1,224,573	1,224,573	1,918,565

**GROUNDWORK CAERPHILLY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009 (Continued)**

**3. OTHER INCOMING RESOURCES**

	Unrestricted funds £	Restricted funds £	Total 2009 £	Total 2008 £
Charity	-	450	450	39,104
VAT refund	-	-	-	17,000
	<u>-</u>	<u>450</u>	<u>450</u>	<u>56,104</u>

**4. TOTAL CHARITABLE ACTIVITIES EXPENDED**

	Unrestricted funds £	Restricted funds £	Total 2009 £	Total 2008 £
<b>Direct Costs</b>				
Staff Costs	-	389,128	389,128	737,845
Project costs	-	50,325	50,325	496,694
Tools & Equipment hire	-	29,197	29,197	63,578
Materials & direct purchases	-	20,303	20,303	70,541
Subcontractors & consultancy	-	374,010	374,010	251,271
Training and recruitment	-	13,695	13,695	23,019
Project travel and transport	-	31,582	31,582	74,847
Project publicity	-	30,971	30,971	60,022
Support costs	-	54,647	54,647	70,653
	<u>-</u>	<u>993,858</u>	<u>993,858</u>	<u>1,848,470</u>
<b>Support Costs</b>				
Staff costs	-	176,793	176,793	353,871
Recruitment and training	-	6,304	6,304	14,071
Premises expenses	-	32,536	32,536	80,070
IT and equipment costs	-	15,657	15,657	16,128
Depreciation	-	6,010	6,010	14,221
Motor and travel expenses	-	6,343	6,343	5,100
(Profit)/Loss on disposal of fixed assets	-	-	-	9,501
Subscriptions and donations	-	717	717	2,806
Legal and professional	-	14,577	14,577	15,959
Postage and stationary	-	1,918	1,918	3,670
Communications	-	3,998	3,998	5,247
Promotion and advertisement	-	113	113	6,599
Insurance	-	8,084	8,084	7,611
Irrecoverable VAT	-	10,432	10,432	12,231
Sundry	-	5,479	5,479	4,466
	<u>-</u>	<u>288,961</u>	<u>288,961</u>	<u>551,551</u>
<b>TOTAL</b>	<u>-</u>	<u>1,282,819</u>	<u>1,282,819</u>	<u>2,400,021</u>

**GROUNDWORK CAERPHILLY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009 (Continued)**

**4. TOTAL CHARITABLE ACTIVITIES EXPENDED (Continued)**

**Expenditure:**

	Unrestricted funds £	Restricted Funds £	Total 2009 £	Total 2008 £
People	-	546,565	546,565	788,060
Places	-	424,831	424,831	850,225
Prosperity	-	1	1	207,498
Performance	-	311,422	311,422	554,238
	-	1,282,819	1,282,819	2,400,021

**Expenditure on projects comprised:**

	Direct cost of activities £	Grant funding of activities £	Support costs £	Total 2009 £	Total 2008 £
People	507,803	-	147,630	655,433	983,557
Places	443,272	-	128,877	572,149	1,103,938
Prosperity	42,782	-	12,454	55,236	307,203
Partnerships	1	-	-	1	5,323
	993,858	-	288,961	1,282,819	2,400,021

**5. COSTS OF GENERATING FUNDS**

There are no costs in relation to costs of generating funds (2008: £nil).

**6. GOVERNANCE COSTS**

	Unrestricted funds	Restricted funds	Total 2009 £	Total 2008 £
Audit fees	-	6,600	6,600	5,800
Trustees Indemnity Insurance	-	3,050	3,050	3,067
		9,650	9,650	8,867

**7. STAFF AND TRUSTEE COSTS**

	2009 Total £	2008 Total £
Salaries and Wages	513,635	998,547
Social security costs	46,274	80,759
Staff pension costs	6,012	12,410
	565,921	1,091,716



**GROUNDWORK CAERPHILLY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009 (Continued)**

**7. STAFF AND TRUSTEE COSTS (Continued)**

The average number of employees during the year, analysed by category was;

	2009	2008
Direct charitable	29	47
Management and Administration of the Charity	9	11
	<u>38</u>	<u>58</u>

No employee received emoluments of more than £60,000.

**8. TRUSTEES**

Trustees were not remunerated or reimbursed for expenses for any services in the year.

**9. NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS**

	2009	2008
	£	£
Staff Costs	565,921	1,091,716
Auditors Remuneration	6,600	5,800
Depreciation of Owned Fixed Assets	9,354	14,221
Profit/(Loss) on disposal of Fixed Assets	-	9,501
Operating Lease rentals:		
- Land & Buildings	27,800	27,800
- Plant & Machinery	<u>8,659</u>	<u>3,627</u>

**GROUNDWORK CAERPHILLY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009 (Continued)**

**10. TANGIBLE FIXED ASSETS**

	<b>Plant and Machinery etc £</b>
<b>Cost</b>	
At 1 <sup>st</sup> April 2008	235,701
Additions	<u>2,450</u>
At 31 March 2009	<u>238,151</u>
<b>Depreciation</b>	
At 1 <sup>st</sup> April 2008	216,919
Eliminated on disposals	-
Charge for year	<u>9,354</u>
At 31 March 2009	<u>226,273</u>
<b>Net Book values</b>	
At 31 March 2009	<u>11,878</u>
At 31 March 2008	<u>18,782</u>

Included in the above figures are fixed assets at a cost of £10,432 (2008: £10,432) and depreciation charged at £3,344 (2008: £599) relating to the Charity's trading subsidiary G C Enterprises (Wales) Limited.

**GROUNDWORK CAERPHILLY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009 (Continued)**

**11. TRADING SUBSIDIARY – G C ENTERPRISES (WALES) LIMITED**

**Principal activity** - collection, repair as necessary, and appropriate testing of white goods and donated re-usable furniture for sale to people on benefits and low incomes.

**Proportion of Holding held** - 100% ordinary shares

	2009 £	2008 £
<b>Profit &amp; Loss Account</b>		
Turnover	209,447	113,446
Cost of Sales	(140,348)	(88,804)
	<hr/>	<hr/>
Gross Profit	69,099	24,642
Administrative Expenses	(107,039)	(59,758)
Other operating income	8,600	1,580
	<hr/>	<hr/>
Loss for the financial year	(29,340)	(33,536)
	<hr/>	<hr/>
<b>Balance Sheet</b>		
Fixed Assets	6,489	9,833
Current Assets	23,966	65,955
Current Liabilities	(15,920)	(109,224)
Creditors due after more than 1 year	(77,311)	-
	<hr/>	<hr/>
Total Assets less current liabilities	(62,776)	(33,436)
	<hr/>	<hr/>
<b>Reserves</b>		
	100	100
Share Capital	(62,876)	(33,536)
Profit & Loss Reserve	(62,776)	(33,436)
	<hr/>	<hr/>

**GROUNDWORK CAERPHILLY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009 (Continued)**

**12. DEBTORS**

	<b>The Charity</b>		<b>The Group</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Amounts due within one year:				
Trade debtors	<b>30,285</b>	259,111	<b>44,063</b>	200,198
Amounts due from subsidiary undertaking	<b>89,311</b>	26,011	-	-
VAT	<b>278</b>	14,084	<b>495</b>	14,084
Prepayments	<b>106,223</b>	150,178	<b>110,481</b>	153,997
	<b>226,097</b>	449,384	<b>155,039</b>	368,279

Included within debtors are £77,311 (2008: £26000) which are receivable after more than one year.

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

	<b>The Charity</b>		<b>The Group</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Amounts due within one year:				
Trade creditors	<b>79,596</b>	272,427	<b>80,652</b>	234,896
Accruals	<b>62,243</b>	176,189	<b>65,107</b>	177,076
P.A.Y.E. and Social Security	<b>10,865</b>	-	<b>10,865</b>	-
VAT	-	-	-	-
	<b>152,704</b>	448,616	<b>156,624</b>	411,972

**14. ANNUAL COMMITMENTS UNDER NON CANCELLABLE OPERATING LEASES ARE AS FOLLOWS:**

	<b>Land and Buildings</b>	<b>Other</b>	<b>Land and Buildings</b>	<b>Other</b>
	<b>2009</b>	<b>2009</b>	<b>2008</b>	<b>2008</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fall due less than 1 year	-	726	-	-
Fall due within 2-5 years	-	7,933	-	-
Fall due more than 5 years	-	-	-	3,627
	-	8,659	-	3,627

**GROUNDWORK CAERPHILLY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009 (Continued)**

**15. PROVISIONS FOR LIABILITIES AND CHARGES**

The charity has £nil provisions and charges (2008: £nil).

**16. MOVEMENT IN RESTRICTED FUNDS**

	<b>At 1 April 2008 £</b>	<b>Incoming Resources £</b>	<b>Outgoing Resources £</b>	<b>Transfers £</b>	<b>At 31 March 2009 £</b>
Community Environmental Network & Sustainable Communities	13,174	840,873	869,447	17,574	2,174
Youth Environment	4,472	34,690	34,690	-	4,472
Community Spaces	16,877	137,200	176,072	21,995	-
Social Enterprise	28,756	-	-	(28,756)	-
Marketing reserve	4,546	-	-	(4,546)	-
Core Funding	-	212,260	212,260	-	-
	<u>67,825</u>	<u>1,225,023</u>	<u>(1,292,469)</u>	<u>6,267</u>	<u>6,646</u>

<b>Name</b>	<b>Source</b>	<b>Restriction</b>
<b>Community Environmental Network</b>		Fund is to be used with the Charity's ongoing aim to encourage a community – leader approach regeneration and development.
<b>Youth Environment</b>		Youth oriented projects/workshops.
<b>Community Spaces</b>		Several specified geographical areas and regeneration programmes that are ongoing within the county.
<b>Social Enterprise</b>		The social enterprise fund came to an end in 2007 and the board have agreed to release the funds for the general furtherance of the trustees objectives.
<b>Marketing Reserve</b>		The marketing reserve fund has been released in order to be utilised against future annual review costs.

**GROUNDWORK CAERPHILLY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009 (Continued)**

**17. MOVEMENT IN UNRESTRICTED FUNDS**

	At 1 April 2008 £	Income £	Expenditure £	Transfers £	At 1 April 2009 £
Unrestricted general fund	212,305	5,701	-	6,267	211,739
Trading funds held by subsidiary	(33,536)	218,047	(247,387)	-	(62,876)
	<u>178,769</u>	<u>223,748</u>	<u>(247,387)</u>	<u>6,267</u>	<u>148,863</u>

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

	General Fund £	Restricted Fund £	Total £
Tangible fixed assets	9,428	2,450	11,878
Net current assets	139,435	4,196	143,631
	<u>148,863</u>	<u>6,646</u>	<u>155,509</u>

**19. ANALYSIS OF CHANGES IN NET DEBT / (FUNDS)**

	At 1 April 2008 £	Cashflows £	At 31 March 2009 £
Cash in hand, at bank	<u>271,505</u>	<u>(126,289)</u>	<u>145,216</u>

**20. 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).

**21. PENSION SCHEMES**

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 £6,012 (2008: £12,411).

**22. CAPITAL COMMITMENTS**

At 31 March 2009 there were no capital commitments (2008 - Nil).

**GROUNDWORK CAERPHILLY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009 (Continued)**

**23. 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.

**24. RELATED PARTY TRANSACTIONS**

During the prior year Groundwork Caerphilly made a loan to GC Enterprises (Wales) Limited of £26,000, a trading subsidiary of the organisation. Additionally, there was an further aggregate balance owed to Groundwork Caerphilly of £63,311 at the year end (2008: £5,396). A formal loan agreement has been set up to support this.