

Company registration number: 2501792

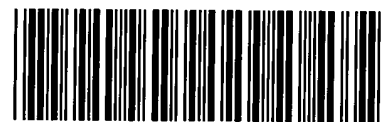
Charity registration number: 1006811

GROUNDWORK CAERPHILLY
(A company limited by guarantee)

**GROUP REPORT OF THE TRUSTEES &
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

Broomfield & Alexander Limited
Chartered Accountants & Statutory Auditors
Tŷ Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

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**GROUNDWORK CAERPHILLY
FOR THE YEAR ENDED 31 MARCH 2017**

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**GROUNDWORK CAERPHILLY
GROUP REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2017 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

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

Groundwork is a leading UK wide environmental partnership organisation which consists of the UK Federation of over 30 independent trusts, which form part of the national Groundwork network, supported by Groundwork UK.

Groundwork Caerphilly merged with Groundwork Wales in February 2015. Groundwork Wales is the national charity which delivers work across Wales, and delivers programmes within Caerphilly and its surrounding areas, as well as holding the assets and reserves and operating a subsidiary trading company.

Groundwork's national network vision is *'the kind of world we want to see'* - a society of sustainable communities which are vibrant, healthy and safe and 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.

OBJECTIVES AND ACTIVITIES

Vision

Our vision is of a society made up of sustainable communities, which are vibrant, healthy and safe, which respect the local and global environment and where individuals and enterprise prosper.

Our purpose is to build sustainable communities in areas of need through joint environmental action.

Our values are:

- equality and diversity
- innovation and learning
- subsidiarity
- integrity and professionalism
- partnership
- sustainability

Our vision, purpose and values are underpinned by the principles of sustainable development.

**GROUNDWORK CAERPHILLY
GROUP REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

We review our aims, objectives and activities each year. This review looks at what we have achieved and the outcomes of our work in the previous 12 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 remain 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 and we have put special emphasis on developing our business development activities. The approach we used to develop and implement programmes concentrated on four key areas:

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

How the activities deliver public benefit

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 public benefit.

ACHIEVEMENTS AND PERFORMANCE

Who used and benefited from our services?

Further information about who benefits directly from our services is explained in the analysis of performance and achievements below.

The main areas of charitable activity are the provision of community development, physical activity, environmental regeneration, employability and volunteering programmes. These activities and the achievements that flow from our work are described within this report.

Strategic overview:

The development of national, regional and local strategies in Wales delivered through broad-based strategic partnerships, a changing relationship between the public sector and the voluntary and community sectors, and the economic recession, present challenges and opportunities.

Organisation:

Our staffing resource has been structured to meet the needs of our programme delivery and core skills required to operate effectively and efficiently within the group. All staff are now housed within Groundwork Wales.

Programmes:

We have continued to run Ty Mynyddislwyn Environment Centre to provide facilities for local communities as well as Groundwork Wales programmes.

**GROUNDWORK CAERPHILLY
GROUP REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

Full detailed information of the programmes operated by Groundwork within the group of companies of Groundwork Caerphilly and Groundwork Wales can be obtained by viewing the accounts for Groundwork Wales (Company Number 3577896/Charity Number 1096662.)

FINANCIAL REVIEW

The charity reported a net deficit of £486,942 following a gift of funds to Groundwork Wales of £435,500 (2016: £28,399 surplus). The Charity and Trading Company reported a net deficit of £485,695 (2016: £28,832 surplus).

Unrestricted reserves at 31 March 2017 for the group were £41,517 (2016: £524,610) with £35,930 invested in fixed assets. Restricted reserves were £138,747 (2016: £141,348) with £138,747 being invested in fixed assets.

Principal funding sources

The principal sources of funding for the charity as a group with Groundwork Wales (Company Number 3577896) during 2016/17 included core funding from Caerphilly County Borough Council, grant income from Welsh Government's Communities First programme, in addition to Big Lottery Fund, and Wales Government funding for Strategic Regeneration areas and Sustainable Play. The group is developing new and existing partnerships 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. We are working strategically and operationally to build partnerships across Wales. New programmes are being bid for by Groundwork Wales.

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, for example, project deficits, unplanned events, emergencies

The trustees 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 2017 is budgeted at £75,809 for Groundwork Caerphilly, the reserves policy is consistent for the group of charities and is budgeted at £126,563 for year ending March 2017. The actual level of free reserves of the group only, excluding restricted funds, fixed assets and designated funds at 31 March 2017 is £5,587 and for the charity only, negative £2,680.

The group has taken further steps to increase reserves by increasing business development, ensuring robust overhead recovery written into bids and developing more commission/contract work

Reserves will be monitored and reviewed throughout the year.

Fund by fund analysis of availability of assets

The Board of Trustees has 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
GROUP REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

Investment policy

The trust does not hold any investments.

REVIEW OF BUSINESS AND PLANS FOR FUTURE PERIODS

All new business is being developed by Groundwork Wales. The group has continued to further develop and consolidate its strategic role in partnership with the Welsh Government, Local Authorities, local communities, and voluntary and private sectors in order to bring about sustainable environmental improvements related to local needs and opportunities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated as a company on 14 May 1990 and registered as a charity (charity no. 1006811) with the Charity Commission on 13 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.

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 6.

Recruitment and appointment of Board of Trustees

The trustees 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 9 to the accounts.

The charity's work inevitably focuses upon environmental regeneration and community development. The Board of Trustees seek 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.

Trustees induction and training

Board Members are familiar with the work of the charity and are invited to attend any project launches and events that are held throughout the year. Governance training is offered 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 Chief Executive and cover:

**GROUNDWORK CAERPHILLY
GROUP REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

- 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 and 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 and quality. Financial management accounts are circulated in advance of each board meeting which are held on a quarterly basis.

Risk management

The Board of Trustees has 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 a quarterly 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 and quarterly Health and Safety Committee meetings are convened, including staff and board representatives. All procedures are periodically reviewed to ensure that they continue to meet legal requirements and the needs of the charity. Refer to Groundwork Wales Risk Management.

Organisational structure

Groundwork Caerphilly are allowed a Board of Trustees of up to 17 members which meets quarterly and is responsible for the strategic direction and policy of the charity. At present the board has 3 co-opted trustees from a variety of professional backgrounds relevant to the work of the charity. The trust's Chief Executive attends all board meetings but has no voting rights.

A scheme of delegation is in place and day to day responsibility for the provision of services rests with the group Chief Executive along with the support of the services of the management team. The Chief Executive 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 business development, operational management, individual supervision of staff and that the team continues to develop its 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, through Groundwork Wales is still committed to the Caerphilly Community Strategy by working with the local authority and other voluntary sector organisations as well as continuing current operations within the Caerphilly County Borough and developing new work.

Auditors

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

**GROUNDWORK CAERPHILLY
GROUP REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

REFERENCE AND ADMINISTRATIVE DETAILS

Company registration number	2501792
Charity registration number	1006811
Registered office	Mynyddislwyn Offices Bryn Road Pontllanfraith Blackwood Gwent NP12 2BH
Chairman	Mr B Davies MBE
Vice chairman	Mr R H Cooke - resigned 21 June 2017
Other board members	Ms P Cook - resigned 15 June 2016 Councillor R Woodyatt - resigned 31 March 2017 Mr P Gaskell Councillor C Mann Ms P Leonard - resigned 15 June 2016
Board advisors	Mr P Cooke (Caerphilly County Borough Council) - resigned 15 June 2016
Group Executive director	Ms K Stevenson
Bankers	HSBC Plc High Street Newbridge
Auditors	Broomfield & Alexander Limited Chartered Accountants & Statutory Auditors Tŷ Derw Lime Tree Court Cardiff Gate Business Park Cardiff CF23 8AB

**GROUNDWORK CAERPHILLY
GROUP REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2017**

RESPONSIBILITIES OF THE BOARD OF TRUSTEES

The trustees (who are also directors of Groundwork Caerphilly for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the strategic report and directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company [and the group] and of the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for 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 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Trustees on 8th November 2017 and signed on its behalf by:

B. J. Davies MBE

B Davies MBE (Chairman)

**REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF GROUNDWORK CAPERHILL
FOR THE YEAR ENDED 31 MARCH 2017**

We have audited the financial statements of Groundwork Wales for the year ended 31 March 2017 which comprise the Group Statement of Financial Activities, the Group and Charity Balance Sheet, the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charitable company's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF GROUNDWORK CAPERHILLY
FOR THE YEAR ENDED 31 MARCH 2017**

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group and charitable company's affairs as at 31 March 2017, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities) and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Broomfield & Alexander Ltd

Broomfield & Alexander Limited
Chartered Accountants & Statutory Auditors
Tŷ Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

Dated: 12 December 2017

Broomfield & Alexander is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

GROUNDWORK CAERPHILLY
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2017

	Note	Unrestricted funds £	Restricted funds £	Total funds 2017 £	Total funds 2016 £
Income and endowments from:					
Charitable activities	3	251,347	73,445	324,792	744,871
Other trading activities	4,14	207,312	-	207,312	196,366
Total income and endowments		458,659	73,445	532,104	941,237
Expenditure on:					
Charitable activities	6	303,236	76,046	379,282	717,108
Other trading activities	7/14	203,016	-	203,016	195,297
Other	8	435,500	-	435,500	-
Total expenditure		941,752	76,046	1,017,798	912,405
Net movement in funds	11	(483,093)	(2,601)	(485,695)	28,832
Reconciliation of Funds					
Total funds brought forward	18,19	524,610	141,348	665,958	637,126
Total funds carried forward	21	41,517	138,747	180,264	665,958

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

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

The notes on pages 14 to 34 form part of the financial statements

GROUNDWORK CAERPHILLY
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2017


		2017	2016
	Note	£	£
Fixed assets:			
Tangible assets	13	174,677	188,493
Current assets:			
Stock		1,500	1,215
Debtors	15	643,858	570,646
Cash at bank and in hand		166,857	126,080
		<u>812,215</u>	<u>697,941</u>
Liabilities:			
Creditors: Amounts falling due within one year	16	<u>(806,628)</u>	<u>(220,476)</u>
Net current assets		5,587	477,465
Net assets		<u>180,264</u>	<u>665,958</u>
The funds of the charity:			
Restricted income funds	18	138,747	141,348
Unrestricted income funds			
General funds	19	41,517	477,610
Designated funds	20	<u>-</u>	<u>47,000</u>
		41,517	524,610
Total charity funds	21	<u>180,264</u>	<u>665,958</u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

For the financial year ended 31 March 2017, the company was entitled to exemption from audit under the Companies Act 2006, s. 477 relating to small companies and the members have not required the company to obtain an audit of its accounts for the year in question in accordance with s. 476. The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors on 8th November 2017 and signed on its behalf.

 MBE

Mr B Davies MBE - Director

The notes on pages 14 to 34 form part of the financial statements

GROUNDWORK CAERPHILLY
CHARITY BALANCE SHEET AT 31 MARCH 2017

		2017		2016	
	Note	£	£	£	£
Fixed assets:					
Tangible assets	13		157,429		164,923
Investments	14		<u>100</u>		<u>100</u>
			157,529		165,023
Current assets:					
Debtors	15	617,883		536,231	
Cash at bank and in hand		<u>104,526</u>		<u>81,087</u>	
		722,409		617,318	
Liabilities:					
Creditors: Amounts falling due within one year	16	<u>(753,793)</u>		<u>(180,451)</u>	
Net current assets /(liabilities)			(31,384)		436,867
Debtors due in more than one year	15		28,604		42,402
Net assets			<u>154,749</u>		<u>644,292</u>
The funds of the charity:					
Restricted income funds	18		138,747		141,348
Unrestricted income funds					
General funds	19	16,002		455,944	
Designated funds	20	<u>-</u>		<u>47,000</u>	
			16,002		502,944
Total charity funds	21		<u>154,749</u>		<u>644,292</u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

For the financial year ended 31 March 2017, the company was entitled to exemption from audit under the Companies Act 2006, s. 477 relating to small companies and the members have not required the company to obtain an audit of its accounts for the year in question in accordance with s. 476. The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The financial statements were approved by the board of directors on 8th November 2017 and signed on its behalf.

B. J. Davies MBE
Mr B Davies MBE - Director

The notes on pages 14 to 34 form part of the financial statements

**GROUNDWORK CAERPHILLY
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2017**

Group	Note	2017 £	2016 £
Net cash provided by/(used in) operating activities	26	<u>44,383</u>	<u>(143,687)</u>
<i>Cash flows from investing activities:</i>			
Purchase of property plant and equipment		<u>(3,606)</u>	<u>(4,946)</u>
Net cash (used in) investing activities		<u>(3,606)</u>	<u>(4,946)</u>
Change in cash and cash equivalents in the reporting period		40,777	(148,633)
Cash and cash equivalents at the beginning of the reporting period		126,080	274,713
Cash and cash equivalents at the end of the reporting period	26	<u><u>166,857</u></u>	<u><u>126,080</u></u>

The notes on pages 14 to 34 form part of the financial statements

GROUNDWORK CAERPHILLY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES

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

Basis of Preparation

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Groundwork Caerphilly meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Rounding

Figures contained in the financial statements have been rounded to the nearest pound.

Presentation of the accounts on a going concern basis

The group reported an unrestricted net outflow of £483,093 for the year. The charity reported a net unrestricted outflow of £486,942 for the year. The charity has sufficient free reserves and is monitoring results on a frequent basis. The trustees are of the view that on this basis the charity is a going concern and there are no material uncertainties about the charity's ability to continue as a going concern.

Basis of consolidation

The financial statements represent the consolidated financial position of the group. This comprises Groundwork Caerphilly and GC Enterprises (Wales) Limited. There were no amounts outstanding during the current or previous year. Groundwork Caerphilly is a member of Groundwork Wales and Groundwork Caerphilly own 100% of the share capital of GC Enterprises (Wales) Limited.

The financial statements are consolidated on a line-by-line basis and cover the consolidated financial position and transactions of all companies controlled by the charity from the date of acquisition. All intra group transactions are eliminated on consolidation.

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.

GROUNDWORK CAERPHILLY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES (Continued)

Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

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.

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.

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 is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

GROUNDWORK CAERPHILLY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES (Continued)

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
Land & buildings	2.5% on cost

Debtors

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

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

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

Liabilities policy

Liabilities are recognised in the Statement of Financial Activities as they become payable.

Pensions

The charity operates a defined contribution scheme for the benefit of its employees. The assets of the scheme are held separately from those of the charity. Contributions payable are charged to the profit and loss account in the year they are payable and are charged against unrestricted funds.

GROUNDWORK CAERPHILLY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES (Continued)

Taxation

As a registered charity, Groundwork Caerphilly is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

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 to 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 Trustees, 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.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

GROUNDWORK CAERPHILLY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

3. INCOME FROM CHARITABLE ACTIVITIES

<u>Group</u>	Unrestricted funds	Restricted funds	Total 2017	Total 2016
<i>Income was received for:</i>	£	£	£	£
People	67,371	4,540	71,911	324,330
Places	2,097	53,569	55,666	79,577
Prosperity	145,329	15,336	160,665	207,591
Partnership	36,550	-	36,550	57,062
Other	-	-	-	76,311
	<u>251,347</u>	<u>73,445</u>	<u>324,792</u>	<u>744,871</u>
<i>Income from charitable activities was provided by:</i>				
Welsh Government	243	4,540	4,783	21,285
Public agencies and national charities	118,348	67,038	185,386	159,409
Local Authority	17,174	1,867	19,041	87,101
European Union	-	-	-	168,968
Private sector	115,582	-	115,582	218,865
Big Lottery Fund	-	-	-	15,988
Central Government	-	-	-	73,255
	<u>251,347</u>	<u>73,445</u>	<u>324,792</u>	<u>744,871</u>

GROUNDWORK CAERPHILLY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

3. INCOME FROM CHARITABLE ACTIVITIES (continued)

<u>Charity</u>	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
<i>Income was received for:</i>				
People	67,448	4,540	71,988	324,330
Places	2,097	53,569	55,666	79,577
Prosperity	145,329	15,336	160,665	207,591
Partnership	36,550	-	36,550	57,062
Other	-	-	-	76,311
	<u>251,424</u>	<u>73,445</u>	<u>324,869</u>	<u>744,871</u>
<i>Income from charitable activities was provided by:</i>				
Welsh Government	243	4,540	4,783	21,285
Public agencies and national charities	118,349	67,038	185,387	159,409
Local Authority	17,174	1,867	19,041	87,101
European Union	-	-	-	168,968
Private sector	115,658	-	115,658	218,865
Big Lottery Fund	-	-	-	15,988
Central Government	-	-	-	73,255
	<u>251,424</u>	<u>73,445</u>	<u>324,869</u>	<u>744,871</u>

4. INCOME FROM OTHER TRADING ACTIVITIES

<u>Group</u>	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Trading company income	207,312	-	207,312	196,366
	<u>207,312</u>	<u>-</u>	<u>207,312</u>	<u>196,366</u>

5. INCOME FROM INVESTMENTS

<u>Charity</u>	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Loan interest	371	-	371	636
	<u>371</u>	<u>-</u>	<u>371</u>	<u>636</u>

GROUNDWORK CAERPHILLY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

6. EXPENDITURE ON CHARITABLE ACTIVITIES

<u>Group and charity</u>	Total 2017 £	Total 2016 £
Direct costs		
Staff costs	97,475	380,936
Volunteer costs	3,422	8,160
Materials and direct purchases	169,120	90,816
Subcontractors and consultancy	11,146	59,067
Training and recruitment	3,756	11,472
Project travel and transport	30,601	65,416
Project publicity	408	353
Support costs	-	2,980
Professional fees	-	4,411
Other costs	646	12,939
Depreciation	1,210	2,585
	317,784	639,135
Support costs		
Recruitment and training	-	156
Premises expenses	31,082	28,637
Depreciation	6,284	5,636
Motor and travel expenses	363	(333)
Legal and professional	48	239
Communications and IT, and equipment	7,015	18,750
Promotion and advertisement	-	33
Administration and sundry	11,906	18,224
Governance	4,800	6,631
	61,498	77,973
TOTAL	379,282	717,108
<u>Analysed between:</u>		
Unrestricted	303,236	277,206
Restricted	76,046	439,902
	379,282	717,108

GROUNDWORK CAERPHILLY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

6. EXPENDITURE ON CHARITABLE ACTIVITIES (continued)

Group and charity

<i>Expenditure: (including governance costs)</i>	Unrestricted funds £	Restricted Funds £	Total 2017 £	Total 2016 £
People	245,759	7,141	252,900	327,572
Places	-	15,336	15,336	77,526
Prosperity	57,477	-	57,477	268,150
Partnership	-	53,569	53,569	43,860
	<u>303,236</u>	<u>76,046</u>	<u>379,282</u>	<u>717,108</u>

<i>Expenditure on projects including governance costs comprised:</i>	Direct cost of activities £	Support costs and governance £	Total 2017 £	Total 2016 £
People	232,406	20,494	252,900	327,572
Places	11,312	4,024	15,336	77,526
Prosperity	57,161	316	57,477	268,150
Partnerships	419	53,150	53,569	43,860
	<u>301,298</u>	<u>77,984</u>	<u>379,282</u>	<u>717,108</u>

7. EXPENDITURE ON OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Trading company costs	203,016	-	203,016	195,297
	<u>203,016</u>	<u>-</u>	<u>203,016</u>	<u>195,297</u>

8. OTHER EXPENDITURE

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Gift to Groundwork Wales	435,500	-	435,500	-
	<u>435,500</u>	<u>-</u>	<u>435,500</u>	<u>-</u>

GROUNDWORK CAERPHILLY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

9. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

<u>Group</u>	2017 Total £	2016 Total £
Salaries and wages	199,846	459,265
Redundancy pay	-	1,909
Social security costs	12,073	28,631
Staff pension costs	3,317	6,625
	<u>215,236</u>	<u>496,430</u>
<u>Charity</u>		
Salaries and wages	83,582	349,445
Redundancy pay	-	1,909
Social security costs	6,191	22,957
Staff pension costs	3,317	6,625
	<u>93,090</u>	<u>380,936</u>

No employees had employee benefits in excess of £60,000

No trustees received remuneration or expenses during the current or previous year.

Key Management Personnel

The key management personnel of the charity are as detailed in the Trustees Report. The total employee benefits (including gross salary, employer's national insurance, pension and benefits in kind) of the key management personnel of the charity were £nil (2016: £155,330). The group executive director, who forms the key management personnel, is paid by Groundwork Wales, the parent company.

10. STAFF NUMBERS

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

<u>Group</u>	2017 No.	2016 No.
Direct charitable	20	24
Management and administration of the charity	1	1
	<u>21</u>	<u>25</u>
<u>Charity</u>		
Direct charitable	9	14
Management and administration of the charity	1	1
	<u>10</u>	<u>15</u>

GROUNDWORK CAERPHILLY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

11. NET INCOME/(EXPENDITURE) FOR THE YEAR

	2017	2016
<u>Group</u>	£	£
Auditors remuneration	7,225	5,500
Depreciation of owned fixed assets	17,422	17,324
Operating lease rentals:		
- Plant & machinery	<u>-</u>	<u>4,311</u>

	2017	2016
<u>Charity</u>	£	£
Auditors remuneration	4,800	4,500
Depreciation of owned fixed assets	7,494	8,220
Operating lease rentals:		
- Plant & machinery	<u>-</u>	<u>4,311</u>

12. DEFICIT OF THE PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the income and expenditure of the parent company is not presented as part of these financial statements. The parent company's deficit for the financial period was £486,942 (2016: surplus £28,399).

GROUNDWORK CAERPHILLY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

13. TANGIBLE FIXED ASSETS

<u>Group</u>	Plant and machinery £	Motor vehicles £	Buildings £	Total £
Cost				
At 1 April 2016	190,881	59,672	150,000	400,553
Additions	3,606	-	-	3,606
At 31 March 2017	<u>194,487</u>	<u>59,672</u>	<u>150,000</u>	<u>404,159</u>
Depreciation				
At 1 April 2016	173,600	29,085	9,375	212,060
Charge for year	4,113	11,434	1,875	17,422
At 31 March 2017	<u>177,713</u>	<u>40,519</u>	<u>11,250</u>	<u>229,482</u>
Net book value				
31 March 2017	<u>16,774</u>	<u>19,153</u>	<u>138,750</u>	<u>174,677</u>
31 March 2016	<u>17,281</u>	<u>30,587</u>	<u>140,625</u>	<u>188,493</u>
<u>Charity</u>	Plant and machinery £	Motor vehicles £	Buildings £	Total £
Cost				
At 1 April 2016	179,933	24,687	150,000	354,620
At 31 March 2017	<u>179,933</u>	<u>24,687</u>	<u>150,000</u>	<u>354,620</u>
Depreciation				
At 1 April 2016	170,714	9,608	9,375	189,697
Charge for year	1,182	4,437	1,875	7,494
At 31 March 2017	<u>171,896</u>	<u>14,045</u>	<u>11,250</u>	<u>197,191</u>
Net book value				
31 March 2017	<u>8,038</u>	<u>10,642</u>	<u>138,750</u>	<u>157,429</u>
31 March 2016	<u>9,219</u>	<u>15,079</u>	<u>140,625</u>	<u>164,923</u>

Land and buildings with a carrying amount of £138,750 (2016: £140,625) have been pledged to secure borrowings of the charity. The charity is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

GROUNDWORK CAERPHILLY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

14. TRADING SUBSIDIARY – G C ENTERPRISES (WALES) LIMITED

The charity holds the entire issued share capital of 100 ordinary shares of £1 each in GC Enterprises (Wales) Limited, a company incorporated in England and Wales (Company Number 06296414). GC Enterprises (Wales) Limited provides collection, repair as necessary and appropriate testing of white goods and donated re-usable furniture for sale to people on benefits and low incomes.

A summary of the trading results is shown below.

	2017	2016
	£	£
Profit and Loss Account		
Turnover	207,312	196,366
Cost of sales	(168,686)	(148,226)
Gross profit	38,626	48,140
Administrative expenses	(34,406)	(47,071)
Loan interest paid to Groundwork Caerphilly	(371)	(636)
Surplus for the financial year	<u>3,849</u>	<u>433</u>
Balance Sheet		
Fixed assets	17,248	23,570
Stock	1,500	1,214
Current assets	108,311	85,340
Current liabilities	(72,840)	(45,956)
Creditors due after more than 1 year	(28,604)	(42,402)
Total assets less liabilities	<u>25,615</u>	<u>21,766</u>
Reserves		
Share capital	100	100
Profit and loss reserve	<u>25,515</u>	<u>21,666</u>
	<u>25,615</u>	<u>21,766</u>

GROUNDWORK CAERPHILLY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

15. DEBTORS

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Amounts due within one year:				
Trade debtors	106,375	114,603	91,618	101,125
Amounts due from group entities	495,434	376,802	500,891	376,285
Prepayments	36,749	79,241	23,038	58,821
Other debtors	5,300	-	2,336	-
	<u>643,858</u>	<u>570,646</u>	<u>617,883</u>	<u>536,231</u>

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Amounts due after one year:				
Amounts due from group entities	-	-	28,604	42,402
	<u>-</u>	<u>-</u>	<u>28,604</u>	<u>42,402</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Trade creditors	14,771	11,794	10,165	11,037
Amounts owed to group entities	581,745	7,910	584,208	100
Accruals and deferred income	130,403	183,605	83,672	152,147
PAYE and social security	14,053	5,819	10,800	5,819
VAT	65,656	11,348	64,948	11,348
	<u>806,628</u>	<u>220,476</u>	<u>753,793</u>	<u>180,451</u>

Deferred Income

Contained in the accruals and deferred income above is deferred income in relation to performance related grants which relates to the 2017/18 financial year.

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Balance brought forward	81,801	233,693	58,935	204,323
Income received in the year	310,224	592,979	317,311	599,483
Released to income	(324,792)	(744,871)	(324,869)	(744,871)
Balance carried forward	<u>67,233</u>	<u>81,801</u>	<u>51,377</u>	<u>58,935</u>

GROUNDWORK CAERPHILLY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

17. FINANCIAL INSTRUMENTS

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Carrying amount of financial assets				
Debt instruments measured at amortised cost	773,966	617,485	727,975	600,901
Carrying amount of financial liabilities				
Measured at amortised cost	659,686	121,508	626,668	104,349

18. RESTRICTED FUNDS

	At 1 April 2016	Income	Expenditure	At 31 March 2017
<u>Group and charity</u>	£	£	£	£
Bridges to work	-	1,867	(1,867)	-
CAT project	140,622	-	(1,875)	138,747
Greencare	-	13,469	(13,469)	-
Healthy rivers	-	53,569	(53,569)	-
Welsh Government	-	4,540	(4,540)	-
Youth environment	726	-	(726)	-
	141,348	73,445	(76,046)	138,747

Bridges into Work – Grant received towards the Bridges into Work project.

CAT project – Grant received for the purchase of the property at Mynydd Islwyn.

Greencare - ILM model of grounds maintenance.

Healthy rivers - Grant to support the clean up of rivers.

Welsh Government – Funding received to cover the core costs of the charity.

Youth Environment – Grant received towards to provision of the Youth Environment project.

GROUNDWORK CAERPHILLY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

18. RESTRICTED FUNDS (continued)

Previous year

Group	At 1 April 2015 £	Income £	Expenditure £	Transfers £	At 31 March 2016 £
Caerphilly CBC	-	43,860	(43,860)	-	-
CAT project	142,496	-	(1,874)	-	140,622
CEN officer	-	22,803	(22,803)	-	-
Communities First	-	142,258	(142,325)	67	-
Community recharge projects	-	444	(752)	308	-
Environment Wales project officer	-	17,565	(17,565)	-	-
Flexible support fund	-	13,231	(13,231)	-	-
Healthy rivers	-	36,204	(36,204)	-	-
Healthy villages	-	1,000	(1,000)	-	-
Intercompany charges	-	72,829	(72,716)	(113)	-
Lottery	-	4,408	(4,408)	-	-
R2L Skills	-	57,180	(61,718)	4,538	-
Sewcedd	-	9,612	(9,612)	-	-
Ty Mynyddislwyn	-	11,834	(11,834)	-	-
Youth environment	726	-	-	-	726
	<u>143,222</u>	<u>433,228</u>	<u>(439,902)</u>	<u>4,800</u>	<u>141,348</u>

Charity

Caerphilly CBC	-	43,860	(43,860)	-	-
CAT project	142,496	-	(1,874)	-	140,622
CEN officer	-	22,803	(22,803)	-	-
Communities First	-	142,258	(142,325)	67	-
Community recharge projects	-	444	(752)	308	-
Environment Wales project officer	-	17,565	(17,565)	-	-
Flexible support fund	-	13,231	(13,231)	-	-
Healthy rivers	-	36,204	(36,204)	-	-
Healthy villages	-	1,000	(1,000)	-	-
Intercompany charges	-	72,829	(72,716)	(113)	-
R2L Skills	-	57,180	(61,718)	4,538	-
Ty Mynyddislwyn	-	11,834	(11,834)	-	-
Youth environment	726	-	-	-	726
	<u>143,222</u>	<u>419,208</u>	<u>(425,882)</u>	<u>4,800</u>	<u>141,348</u>

GROUNDWORK CAERPHILLY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

19. UNRESTRICTED FUNDS

	At 1 April 2016 £	Income £	Expenditure £	Transfers £	At 31 March 2017 £
<u>Group</u>					
General funds	477,610	458,659	(941,752)	47,000	41,517
Designated funds	47,000	-	-	(47,000)	-
	<u>524,610</u>	<u>458,659</u>	<u>(941,752)</u>	<u>-</u>	<u>41,517</u>
<u>Charity</u>					
General funds	455,944	251,795	(738,737)	47,000	16,002
Designated funds	47,000	-	-	(47,000)	-
	<u>502,944</u>	<u>251,795</u>	<u>(738,737)</u>	<u>-</u>	<u>16,002</u>
<i>Previous year</i>					
	At 1 April 2015 £	Income £	Expenditure £	Transfers £	At 31 March 2016 £
<u>Group</u>					
General funds	446,904	508,009	(472,503)	(4,800)	477,610
Designated funds	47,000	-	-	-	47,000
	<u>493,904</u>	<u>508,009</u>	<u>(472,503)</u>	<u>(4,800)</u>	<u>524,610</u>
<u>Charity</u>					
General funds	425,671	326,299	(291,226)	(4,800)	455,944
Designated funds	47,000	-	-	-	47,000
	<u>472,671</u>	<u>326,299</u>	<u>(291,226)</u>	<u>(4,800)</u>	<u>502,944</u>

GROUNDWORK CAERPHILLY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

20. DESIGNATED FUNDS – Current and previous year

The income funds of the company included the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2016 £	Transfers £	At 31 March 2017 £
Future operating costs	47,000	(47,000)	-
	<u>47,000</u>	<u>(47,000)</u>	<u>-</u>

Transfer relates to the trustees no longer deciding the designated funds were required.

GROUNDWORK CAERPHILLY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

21. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

<u>Group</u>	Unrestricted fund £	Restricted fund £	Total £
Tangible fixed assets	35,930	138,747	174,677
Net current assets	5,587	-	5,587
	<u>41,517</u>	<u>138,747</u>	<u>180,264</u>

Charity

Tangible fixed assets	18,682	138,747	157,429
Investments	100	-	100
Net current liability	(31,384)	-	(31,384)
Debtors due after more than 1 year	28,604	-	28,604
	<u>16,002</u>	<u>138,747</u>	<u>154,749</u>

Previous year

<u>Group</u>	Unrestricted fund £	Restricted fund £	Total £
Tangible fixed assets	47,872	140,621	188,493
Net current assets	476,738	727	477,465
	<u>524,610</u>	<u>141,348</u>	<u>665,958</u>

Charity

Tangible fixed assets	24,302	140,621	164,923
Investments	100	-	100
Net current assets	478,542	727	479,269
	<u>502,944</u>	<u>141,348</u>	<u>644,292</u>

22. 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.

GROUNDWORK CAERPHILLY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

23. PENSION SCHEMES

Group and Charity.

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 £3,317 (2016: £6,625). There were no amounts outstanding during the current or previous year.

24. RELATED PARTY TRANSACTIONS

During the year the charity recharged GC Enterprises (Wales) Limited £447 (2016: £3,676) for expenditure made on its behalf.

At 31 March 2017 GC Enterprises (Wales) Limited owed the charity £42,345 (2016: £48,433). Of this balance £28,604 (2016: £42,402) is considered to be due after more than one year.

As at 31 March 2017 the charity owed G C Enterprises (Wales) Limited £6,265 (2016: £100).

Four of the Trustees are employed by the local authority that provides funding to the charity. None of these trustees have any involvement in the decision making process relating to funding of the charity by the local authority.

During the year the charity recharged its parent charity, Groundwork Wales, £186,749 (2016: £82,578) for expenditure made on its behalf.

During the year Groundwork Wales has recharged Groundwork Caerphilly for its share of expenditure, totalling £172,495 (2016: £54,209).

At 31 March 2017 the charity made a gift of £435,500 to the charity's parent Groundwork Wales (2016: £nil).

At 31 March 2017 the charity's parent Groundwork Wales owed the charity £487,151 (2016: £450,130).

As at 31 March 2017 the charity owed Groundwork Wales £577,943 (2016: £79,876).

25. ULTIMATE CONTROLLING PARTY

On 1 February 2015 Groundwork Caerphilly became a subsidiary of Groundwork Wales. The trustees therefore consider that from 1 February 2015 Groundwork Wales is the ultimate controlling party.

Groundwork Wales is a registered company in England and Wales whose registered office is Ty Mynyddislwyn Offices, Bryn Road, Pontllanfraith, Blackwood, Gwent, NP12 2BH.

Groundwork Wales compiles consolidated financial statements which can be viewed on the Charity Commission Website.

GROUNDWORK CAERPHILLY
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26. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

<u>Group</u>	2017	2016
	£	£
Net income/(expenditure) for the reporting period	(485,695)	28,832
<i>Adjustments for:</i>		
Depreciation charges	17,422	17,324
(Increase)/decrease in stocks	(285)	127
(Increase)/decrease in debtors	(73,211)	(25,274)
Increase/(decrease) in creditors	586,152	(164,696)
Net cash provided by/(used in) operating activities	<u>44,383</u>	<u>(143,687)</u>
Analysis of Cash and Cash Equivalents		
Cash in hand	<u>166,857</u>	<u>126,080</u>
Total Cash and Cash Equivalents	<u>166,857</u>	<u>126,080</u>

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27. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

<u>Group</u>	Unrestricted funds £	Restricted funds £	Total funds 2016 £
Income and endowments from:			
Charitable activities	325,663	419,208	744,871
Other trading activities	182,346	14,020	196,366
Total income and endowments	<u>508,009</u>	<u>433,228</u>	<u>941,237</u>
Expenditure on:			
Raising funds	181,277	14,020	195,297
Charitable activities	291,226	425,882	717,108
Total expenditure	<u>472,503</u>	<u>439,902</u>	<u>912,405</u>
Net income/(expenditure)	35,506	(6,674)	28,832
Gross transfers between funds	(4,800)	4,800	-
Net movement in funds	<u>30,706</u>	<u>(1,874)</u>	<u>28,832</u>
Reconciliation of Funds			
Total funds brought forward	493,904	143,222	637,126
Total funds carried forward	<u>524,610</u>	<u>141,348</u>	<u>665,958</u>
 Charity			
Income and endowments from:			
Charitable activities	325,663	419,208	744,871
Investments	636	-	636
Total income and endowments	<u>326,299</u>	<u>419,208</u>	<u>745,507</u>
Expenditure on:			
Charitable activities	291,226	425,882	717,108
Total expenditure	<u>291,226</u>	<u>425,882</u>	<u>717,108</u>
Net income/(expenditure)	35,073	(6,674)	28,399
Gross transfers between funds	(4,800)	4,800	-
Net movement in funds	<u>30,273</u>	<u>(1,874)</u>	<u>28,399</u>
Reconciliation of Funds			
Total funds brought forward	472,671	143,222	615,893
Total funds carried forward	<u>502,944</u>	<u>141,348</u>	<u>644,292</u>