

GREATER NOTTINGHAM

GROUNDWORK TRUST

COMPANY NUMBER

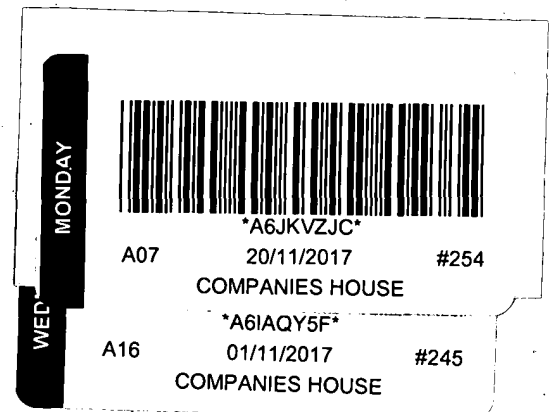
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CHARITY REGISTRATION NUMBER

1003426

REGISTERED OFFICE

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Forest Road West
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GREATER NOTTINGHAM GROUNDWORK TRUST
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2017

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Vision and Objects

Groundwork Greater Nottingham (GGN) seeks to support the development of an environment in which people and their communities flourish.

Mission

We will achieve our vision by:

Engaging: People are at the heart of what we do.

Understanding: We listen to the wants, needs and aspirations of local people and their communities.

Responding: We design appropriate solutions in partnership.

Enabling: People, communities and organisations are empowered to be part of their own solution.

In working towards our vision, the Trust is governed by its Memorandum and Articles of Association adopted on November 12th 1990 (as amended by special resolution on 15th September 2010 and special resolution on 22nd June 2016), which outline its purpose. These 'objects' are to:

- Promote the conservation, protection and improvement of the physical and natural environment anywhere in the areas of Nottinghamshire, Derbyshire and the surrounding areas and
- 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 in or working in or resorting to the areas of Nottinghamshire, Derbyshire and the surrounding areas and
- Advance public education in environmental matters and of the ways of better conserving, protecting and improving the same whosoever and
- Promote, for the public benefit, urban and rural regeneration in areas of social and economic deprivation in the areas of Nottinghamshire, Derbyshire and the surrounding areas by:
 - i.) the relief of poverty in such ways as may be thought fit;
 - ii.) the relief of unemployment in such ways as may thought to be fit including assistance to find employment;
 - iii.) the advancement of education, training or re-training, particularly amongst the unemployed, and providing unemployed people with work experience;
 - iv.) the creation of training and employment opportunities by the provision of work space and/or land for use on favourable terms;

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- v.) the provision of housing for those who are in conditions of need and the improvement of housing in the public sector or in charitable ownership provided that such power shall not extend to relieving any local authorities or other bodies of a statutory duty to provide or improve housing;
- vi.) the maintenance, improvement or provision of public amenities;
- vii.) the preservation of buildings or sites of historical or architectural importance;
- viii.) the provision or assistance in the provision of recreational facilities for the public at large and/or those who, by reasons of their youth, age, infirmity or disablement, poverty, social or economic circumstances, have need of such facilities;
- ix.) the protection or conservation of the environment;
- x.) the promotion of public safety and prevention of crime;
- xi.) such other means as may from time to time be determined subject to the prior written consent of the charity commission for England and Wales

In the context of its charitable objects, 'environment' is defined to encompass all 'quality of life' factors that impact on the well-being of people including, for example, health, housing, employment, learning, citizenship, inclusion as well as the physical and global environment.

Groundwork Greater Nottingham's Operational Area

Currently the Trust is delivering and/or managing programmes across the D2N2 Local Enterprise Partnership (LEP) area which includes Nottingham City, Nottinghamshire, Derby City and Derbyshire. However, much of our service delivery outside of Nottingham City is sub-contracted to local delivery partners to provide.

Groundwork Greater Nottingham's Thematic Areas

We are a community Charity with a green heart and we will deliver our vision through four thematic areas:

Environment: We support local community groups to create quality green spaces and improve local land to meet community need and mitigate against the effects of climate change.

Employability: We equip people with skills for work and support them into meaningful employment. We engage and work with people from communities facing the greatest challenges.

Children and young people: We support children and their families to improve their life chances. We also support young people to access diversionary sessions and to become less at risk.

Community Development: We support local organisations through capacity building and partnership development. We seek the views of people in our local communities and support them to realise their aspirations and enrich their communities.

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People lie at the heart of what we do. Through consultation and partnership engagement, the Trust can identify a community's 'wants' and 'needs' to deliver activity which is locally appropriate, responsive and sustainable. We also work to ensure that our delivery is aligned to both local and national strategic priorities to ensure joined up provision.

Groundwork Greater Nottingham is a participating member of the umbrella body, the Federation of Groundwork Trusts, which comprises eighteen independent Groundwork Trusts across England, Wales and Northern Ireland.

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CHAIR'S STATEMENT

I am delighted and honoured to be writing my first annual statement as Chair of the Greater Nottingham Groundwork Trust, following my appointment in February 2017. I would like to take this opportunity on behalf of the Trust and my fellow Board Members to thank my predecessor Keith Horton for his contribution to the Trust and for leading us since his appointment in July 2014. We wish him well for the future.

During the last year, Janet Wootton, Geoff Bennett and David Wakelin have all stood down from the Board and I would like to place on record my thanks to them for their contributions to the successful running of the Trust. I would particularly like to pay tribute to Geoff Bennett who stood down from the Board after nearly twelve years as a Director. In that time as well as serving as Deputy Chair for a number of years and guiding the Trust in its strategic thinking, Geoff diligently served on the Trust's Audit and Finance Committee for his entire tenure with the Trust, bringing scrutiny to its finances and wisdom to the operational management of the Trust. I, for one, have been indebted to Geoff's input to the Trust, an appreciation I know is echoed by my colleagues on the Board as well as the Trust's managers and finance staff. Finally, I would also like to thank all my fellow Board members who have served and continue to serve the Trust so well.

The year also saw Jo Bradley-Fortune leave the Trust in February after eight years at the Trust, the last six and a half spent as its Executive Director. Under her stewardship, the Trust has grown considerably, most notably in our work in supporting people into employment, starting with helping eighty young people into employment through the Future Jobs Fund programme and leading on to the Lottery funded Dig In Stay Out, Talent Match – Young and Successful and Building Better Opportunities – Towards Work programmes. On behalf of the Trust I would like to thank Jo for all her hard work and we wish her well in her future career.

During the year, the Trust reviewed how it can best serve its beneficiaries. As part of this review, we have revised our Memorandum and Articles of Association. While our objectives remain unchanged, we have expanded our operational area to include Nottinghamshire and Derbyshire as well as surrounding areas. This change better reflects the activity we are now undertaking and expect to deliver in the future.

We have also considered whether the current legal structure of the Trust is in the best interests of the beneficiaries. In particular, whether the beneficiaries would be better served if the Trust merged with other Groundwork Trusts across the north of England. While welcoming the possibility of merger at a local level where it is in the interests of the beneficiaries, at the time of writing this statement, the Trust has concluded that our beneficiaries are best served by the Trust remaining an independent charity focused on local needs rather than becoming part of a larger regional entity. In reaching this decision, the Trust remains committed to working with all members of the the Federation of Groundwork Trusts. We also recognise that there will be occasions when the needs of our beneficiaries are best met by working collaboratively over a larger area and the Trust welcomes working with other organisations to successfully addresses these needs. Our Talent Match – Young and Successful, Building Better Opportunities – Towards Work and Small Steps Big Changes programmes are examples of where we are already successfully working collaboratively with other organisations and partners.

While evaluating our options, including merger with other Groundwork Trusts, the Board decided that the recruitment of a new Chief Executive should be paused, with day-to-day management of the Trust being placed with its senior managers overseen by myself. Now that

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the Board has decided the Trust's future direction, we have begun the process of selecting a new Chief Executive for the Trust and we are hoping that the successful candidate will be in post by early next year.

For the last five years, the National Lottery has funded our Dig In Stay Out programme which came to an end in March 2017. During that time, we have supported nearly three hundred young people both prior to their release from custody and afterwards as they have sought to integrate back into society. I would like to thank the National Lottery for their generous support of this programme.

The National Lottery continues to be a significant supporter, funding our Talent Match programme which is now in its third year of helping eighteen to twenty-four year olds gain employment. In addition, the last year saw the National Lottery begin funding our Building Better Opportunities – Towards Work programme. This is a three-year programme that aims to support about two and a half thousand people on their journey towards employment.

As well as the National Lottery, the Trust continues to be grateful to all its funders, whose backing enables us to work alongside our beneficiaries to bring about change in their lives and their communities. Over the course of the year this funding has included: Gedling Borough Council who supported our work in Gedling; Nottingham CityCare Partnership who fund our work supporting families in Bulwell and Aspley; Groundwork UK who supported our work delivering the Tesco Bags Of Help scheme throughout Derbyshire, Leicestershire and Nottinghamshire; Nottingham City Council who funded us to strengthen community groups in Bulwell, Aspley and Bilborough and also to provide information and guidance to young people seeking employment; Interserve who through their Community Boost funding enabled us to support communities across Rushcliffe; Biffa and Veolia who both provided funding through the landfill communities fund to improve green spaces in Nottingham; and Broxtowe Borough Council who worked with us on a number of activities across Broxtowe.

The environment in which the Trust operates continues to be challenging. The last year saw the Trust record a deficit of £22,254 before actuarial losses, although excluding the impact of the latest actuarial valuation of the Trust's defined benefit pension scheme, the Trust would have made a slight surplus. In spite of strong asset returns over the last year, falling corporate bond yields and an outlook for an increasing level of inflation meant that the pension scheme's deficit increased from £737,000 to £956,000, as measured in accordance with the methodology set out under FRS102. The Trust has agreed payments with the pension scheme's administrators for addressing this liability and is confident that it has sufficient unrestricted cash to not only meet these payments but to also pay all of its creditors as their debts fall due.

Securing funding for our work continues to be the number one challenge for the Trust. While funding opportunities continue to shrink, the last year has also seen a move away from funders providing funding at full cost recovery. In the Trust's case both its new National Lottery funded Building Better Opportunities – Towards Work programme and its information and guidance activity for Nottingham City Council are funded at levels that do not fully cover the costs of running these activities. Additionally, there also seems to be a growing trend amongst funders insisting that all the risk related to the funding sits with the Trust while offering no upside to potentially mitigate this risk. In the long-term, if this regime becomes the norm then it is hard to see how not only this Trust but most charities that do not have substantial unrestricted income will survive.

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Recognising that these issues need addressing for the Trust to have a viable future, its Board and management agreed on a number of priorities for reshaping the Trust in the coming year to ensure its future sustainability. These are: refocusing on what makes us unique, the environmental aspects of the Trust, and ensuring they are incorporated across all our operations; improving the way the Trust captures and measures its impact to help us improve what we do and enable funders to better assess our ability to support beneficiaries to achieve positive change; changing the culture of the organisation to ensure that its staff have the necessary skills to meet future challenges; improving the quality of the Trust's work by establishing consistent standards across all its operations; and developing its unrestricted income.

Finally, in what has been another challenging but ultimately successful year for the Trust, I would like to thank all our amazing and talented staff and volunteers for their continued enthusiasm, commitment and dedication to the work that they carry out on behalf of our communities across Nottinghamshire and Derbyshire, as well as the wider East Midlands.



Wendy Golland
(Chair)

Date:

27.9.17

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**THE TRUST'S DEFINED BENEFIT PENSION SCHEME
AND THE IMPACT OF IT ON THE TRUST'S FINANCIAL VIABILITY**

The Directors of the Greater Nottingham Groundwork Trust would like to draw your attention to the impact of its defined benefit pension scheme on its financial viability.

The Trust is a member of a multi-employer Local Government Pension Scheme (LGPS) administered by Nottinghamshire County Council, which is a defined benefit pension scheme. This scheme has been closed to new members since 2008 and now has only two active members.

Under a methodology prescribed in Section 28 Employee Benefits of Financial Reporting Standard 102 (FRS 102) an annual valuation of the scheme must be made. Any deficit in the scheme's assets compared to its future obligations (liabilities) must be included on the Trust's Balance Sheet as a long-term liability. Following a valuation of the scheme (under FRS102) at the 31 March 2017 a pension scheme liability of £936,000 has been included on the Balance Sheet as a long-term liability.

Because of the way this LGPS scheme is structured, this pension scheme liability can only be called-in in special circumstances, over which the Trust has control. As long as the Trust continues to operate and has actively contributing members (i.e. employees who are current members of the scheme and for whom contributions are actively being paid into the scheme), which it has, then the scheme's liability cannot be called-in.

While the Trust does have control over the circumstances whereby this long-term liability becomes payable, the scheme's administrators are compelled to address this liability and put in place a plan for the Trust to eliminate it over time. This is done as part of the triennial valuation of the Fund in accordance with the regulations governing the LGPS. In doing this, the actuaries must have regard to the desirability of maintaining as nearly constant a rate as possible and the requirement to secure the solvency of the pension fund and the long term cost efficiency of the Scheme. The methodology adopted at the triennial valuation is slightly different from FRS102 and currently produces a valuation lower than the FRS102 valuation. As a result of the triennial valuation that took place at the 31st March 2013, the Trust had to make an additional contribution in 2017 of £5,060 (2016; £4,930). The latest triennial valuation which took place at 31st March 2016 will result in the Trust making additional contributions of: £3,902 in 2018; £3,995 in 2019; and £4,091 in 2020. Further payments are expected to be made in subsequent years although the exact amounts in those years will only be known following the relevant valuation taking place.

Given the level of the Trust's unrestricted cash and unrestricted reserves the Directors are confident that it can meet all foreseeable calls on it by the pension scheme while meeting all our other known financial obligations.

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REVIEW OF THE YEAR

What we achieved

Over the year we planned to: support 24,000 hours of staff and volunteer activity through our projects; improve 40,000 m² of publicly accessible land; support one hundred and fifty community organisations; and support eighty people to get qualifications and jobs.

We worked exceptionally well with our communities and provided over 68,000 hours of staff and volunteer activity through our programmes. We improved over 33,000m² of publicly accessible open space which although it fell slightly short of our target does not recognise the many spaces improved through funding provided to over one hundred community groups and organisations under the Tesco Bags of Help programme. As a result of our physical landscape activities, we have been able to divert over two hundred tonnes of waste from landfill sites. We actively involved fourteen schools in our delivery and in total supported over two hundred community organisations. Over four hundred people were supported to gain a formal qualification in the year, surpassing our target of one hundred and twenty people. Finally, through our array of employability programmes: Talent Match – Young and Successful; Dig In Stay Out; Area 3 Employment programme; YEI Step into Work; and DWP Youth contract, we have enabled and supported a total of 878 people to progress into education, training, volunteering and jobs, against a target of 80. Of those moving into work, 124 people have retained their job for at least 12 to 18 months.

Places

Our Places team continued to provide a full range of landscape architecture services with key emphasis on community consultation.

The year saw the completion and adoption by Broxtowe Borough Council, of the Broxtowe Green Infrastructure Strategy. This strategy provides Broxtowe with a clear approach to protecting and enhancing important landscape corridors within the Borough for people and wildlife while recognising the importance of biodiversity in addressing climate change. It also acts as a comprehensive resource to compliment and support core planning policy documents.

The team also secured grant funding for landscape capital works projects including:

- Bestwood Estate Community Centre Garden, which was used to create a garden for the whole community with grassed amphitheatre, raised beds, wheelchair accessible footpaths and seating.

Commenting on the completed works, Cllr David Trimble said: "This really is a fantastic community initiative and we hope residents in Bestwood will use and enjoy the space"

while Sharon Fullerton a volunteer at Bestwood Community Centre stated: "This project will provide a real boost to the people using Bestwood Estate Community Centre."

- Britten Gardens public open space, which saw the creation of a quality environment for social interaction and informal play with associated landscaping and planting works.

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We also continued to deliver our Tesco Bags of Help programme supporting and enabling hundreds of community groups to access funding to improve their local green spaces, providing design guidance and advice through the process. Similarly, we worked in partnership with Interserve to deliver Community Boost projects.

Employment

Our Employment team offer included the final delivery phase of our Dig In Stay Out (DISO) programme, supporting young offenders into employment. This final stage of the programme provided support and engagement to young offenders while still in prison and then connected them to our other employment programmes post release. A full external evaluation of this programme has provided us with a meaningful assessment of the three model types delivered and key drivers and components required to successfully deliver a programme of this type.

April 2016 saw the commencement of the two-year Step into Work Plus ESIF/YEI funded project which provided a sustainable extension to Nottingham City Council's existing community-based programme of mentoring, work readiness training and employment activity for 18 to 29 year olds for which we deliver activity in Nottingham's Area 3.

We also continued to deliver the original Step into Work DWP Youth Contract in Area 3, which aimed to address the problem of long term unemployed amongst young people. While this programme concluded financially at the end of March 2017, it is still recording outputs against its target of sustainable jobs.

Our Talent Match programme is now in its fourth year of operations, and has so far reached over eight hundred young people, with 279 of these finding employment.

The Youth Participation team were responsible for organising the 2016 Talent Match Awards, which in the spirit of Talent Match, was designed and led by the young people themselves. The event was a huge success, with guest speakers including the Sherriff of Nottingham, and the Chief Executive of D2N2, a key partner in our programme.

The employment team have also spearheaded a new work experience programme, called Experience Works, with major employers now seeking to be part of this initiative. This ambitious programmes seeks to find over one thousand work placements for young people across D2N2, with the intention that half of these will find sustained employment.

Building Better Opportunities is the new ESF / Big Lottery Fund programme, launched in January 2017, with over 25 partners involved in the delivery of the programme. This represents the culmination of over two years of planning and partnership building and we are excited to be finally at delivery stage.

Although the programme has only been running six months, we are already helping over 250 unemployed people to retrain and re-skill with the intention of finding a new career path within one year of joining the programme.

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Young People

- The year saw the completion and exiting of a variety of youth engagement and family support programmes successfully delivered by our Youth and Play team.

During the year, we continued to run our family learning programme to support families living in three hostels, through taster and short course delivery of Early Years Foundation. Over forty adults and thirty-five children benefitted from this programme during its final year.

Our Happy Days programme of structured developmental 'Family Learning' play sessions for homeless children living in hostels and refuges across Nottingham, designed to enable children and families to learn together, delivered 94 play sessions to 190 children and 93 parents, within 3 hostels over its 2 year run.

As a result of the programme, 75% of parents stated that they now spend more time playing with their children. One parent who attended the play sessions said: "Happy Day's has inspired me to start to read to my child and show more attention when he is trying to show me books and interact with him more".

Ninety percent of parents who attended the sessions believed that their children's self-confidence had increased through participation in the sessions and 100% of children stated that they enjoyed the sessions. An additional outcome was to help adults disengaged from learning gain accessible routes back into mainstream training and learning.

Within Nottingham City's Area 3, we provided targeted and diversionary youth activity including:

- running a girls group to increase self-confidence and aspirations and raise awareness of domestic violence; and
- providing diversionary activities to young people at Birchover Community Centre to challenge behaviours, perceptions and aspirations as well as equipping them with skills to achieve positive change.

A National Citizen Service pathfinder programme which targeted the hardest to reach young people at risk of becoming NEET, recruiting via channels outside of mainstream schools and colleges was also delivered by the team in the autumn of 2016.

Community

Our Small Steps Big Changes (SSBC) team managed the second year of the City Care contract for the Family Learning programme as lead of a consortium including: Home-Start Nottingham; Bulwell Community Toy Library; and Right Track Social Enterprise. The programme provides a family mentoring service to better the lives of Bulwell and Aspley's 0 to 3 year olds by employing local parents and grandparents as family mentors along with volunteer support to deliver early intervention sessions about nutrition, language skills and the social and emotional development of babies.

As Lead Organisation in Nottingham City's Area 3 for the delivery of: employment and skills; targeted and diversionary youth work; support for older people; support for community centres; and support for the voluntary sector generally, we continue to deliver, manage, monitor and distribute funding to local organisations to achieve against targeted priorities for the area. We also contribute to employment and youth meetings and forums to best meet the needs of the local community.

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OUR PLANS FOR THE FORTHCOMING YEAR

Environment

- We will support one hundred community groups to create quality green spaces
- We will improve 30,000 m² of land to meet community need and mitigate against the effects of climate change
- We will continue to further develop our environmental offer

Employability

- We will support three hundred people into meaningful employment
- We will equip three hundred and fifty people with useful skills for work
- We will engage and work with 1,500 people from communities facing the greatest challenges

Children and Young People

- We will support four hundred young people to access diversionary sessions
- We will support 725 children and their families to improve their life chances
- We will support seventy young people to become less at risk

Community Development

- We will support three hundred local organisations through capacity building and partnership development
- We aim to seek the views of more than 12,000 people in our local communities
- Our staff and volunteers will spend over 65,000 hours supporting people in realising their aspirations and enriching their communities

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FINANCE

The accounts have been prepared in accordance with the requirements of the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102 (FRS102) (effective 1 January 2015; updated for accounting periods on or after 1 January 2016).

Previously, the charity reported under the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015). The FRSSE provided for charities to continue to report retirement benefits for defined benefit pension schemes using the methodology set out in Financial Reporting Standard 17 'Retirement Benefits' (FRS 17) which the Trust chose to do. As a result of adopting FRS102, the comparative results have been restated to reflect the change in the way retirement benefits for defined benefit pension schemes are reported.

2017 Performance

Net expenditure for 2017 was £22,254 (2016; income of £48,755). This net expenditure amount was after charging an additional £29,000 (2016; £33,000) in relation to the Trust's defined benefit pension scheme identified in the latest FRS102 actuarial valuation of the scheme. Also, included in this amount was £7,898 (2016; £13,372) of grants taken as income for which expenditure will occur in future financial years as well as expenditure of £14,978 (2016; £nil) charged against income taken in earlier financial years. This net effect of this income and expenditure is included in the £39,495 of restricted funds excluding pension liability at the year-end (2016; £36,846).

Impact of the change in the actuarial valuation of the Trust's Local Government Pension Scheme

As well as the £29,000 of additional costs (2016; £33,000) incurred before the net expenditure of £22,254 (2016; income of £48,755), an additional £190,000 of actuarial losses (2016; an actuarial gain of £114,000) have been included after the net expenditure figure as a result of the latest FRS102 actuarial valuation of the Local Government Pension Scheme (LGPS) defined benefit pension scheme.

Actuarial gains (or losses) reflect the extent to which the movements of the scheme's assets and liabilities over the accounting year have not been as assumed at the previous valuation date. They also reflect the effect on the liabilities of changes to the assumptions used to value them.

Asset returns have overall been strong over the year, particularly equities whereas gilts and bonds have had a volatile year. The return on assets less interest in the year was, therefore, £153,000 in the year (2016; -£34,000). Additionally, there were other actuarial gains on the value of the Fund assets of £76,000 (2016; £nil).

The key financial assumptions used to determine the defined benefit obligation are the discount rate linked to corporate bond yields and the rate of future inflation. The value of liabilities is calculated using a prescribed discount rate; that on AA rated Corporate Bonds at the valuation date. At the year end this rate was 2.8% compared to 3.8% a year earlier. The rate of future inflation is important as this is used to determine the rate of salary increases for active members of the scheme as well as the rate at which pensions are increased for other

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members of the scheme. At the year end, inflation as measured by the Retail Prices Index (RPI) was assumed to be 3.6% compared to 3.4% a year earlier. The impact of these changes is an actuarial loss of £451,000 compared to an actuarial gain of £148,000 a year earlier. In addition, there was an actuarial loss of £6,000 (2016; £nil) in relation to changes in the assumptions on life expectancy and an experience gain on the defined benefit obligation of £38,000 (2016; £nil).

As a result of the above changes to the defined benefit pension scheme's valuation, the Trust recorded a net negative movement in funds of £212,254 in 2017. This compared to a net positive movement in funds of £162,755 a year earlier.

Income

In 2017 income increased to £3,348,143 compared to £2,482,775 in 2016 with all except £22,378 (2016; £34,481) coming from charitable activities. Income from People related charitable activity increased to £3,126,788 in 2017 from £2,173,582 in 2016. Driving this increase was income from the Big Lottery, in particular income from the Building Better Opportunities programme of £430,584 which compared to £28,215 in the previous year and the Talent Match programme where income increased to £1,531,011 in 2017 which compared to £1,239,660 in 2016. Funding from Nottingham City Care for the Small Steps, Big Changes programme also jumped significantly in 2017, to £700,712 which compared to £311,556 in 2016. Places income fell to £198,977 in 2017 from £274,412 in 2016, on the back of income from Nottingham City Council falling from £134,250 in 2016 to £35,247 in 2017.

Expenditure

In 2017 expenditure on charitable activities was £3,214,583 (2016; £2,226,830); this equated to just over ninety-five percent of the Trust's total expenditure, slightly up on last year (93%). The Trust's two largest areas of expenditure are works costs and salaries. In 2017 these two areas of expenditure accounted for just under ninety-three percent of total expenditure; up from just under ninety-two percent in 2016. This increase is due to works costs increasing significantly in the year, from £1,358,471 in 2016 to £2,024,997 in 2017 primarily as a result of the Building Better Opportunities and Talent Match programmes. Salary expenditure increased to £1,099,417 in 2017, up from £853,731 in 2016, in part due to new staff directly employed on the Building Better Opportunities programme and, in part, from increasing the number of support staff needed by the Trust to ensure the effective running of the Trust and its charitable programmes.

Expenditure on raising funds decreased to £155,814 in 2017 from £171,190 in 2016, primarily due to a reduction in specialist consultancy costs to support bidding activity for new funding. As a result, expenditure on salaries for raising funds fell to £96,278 in 2017 from £135,683 in 2016.

Support costs (before reallocation) rose to £327,818 from £108,333 in 2016. In 2017 they equated to just under ten percent of the Trust's total expenditure compared to just over four percent in 2016. Driving this increase in cost has been the increase in support staff with the absolute number employed increasing from six (on a whole time equivalent basis) in 2016 to just over ten in 2017. Coupled with this, less support staff were reallocated to other activities in 2017 (just over two) than 2016 (just under four).

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Cash at Bank and in Hand

Total cash held at 31st March 2017 was £964,928 (2016; £845,118). Unrestricted cash was £660,207 at 31st March 2017 compared to £599,754 a year earlier. At the 31st March 2017, the Trust held restricted cash of £304,721 (2016; £245,364). As part of its arrangements to partners delivering the Building Better Opportunities, Talent Match and Small Steps, Big Changes programmes, the Trust makes advance payments to them of up to three month's expenditure. At 31st March 2017, this advanced funding amounted to £246,943 compared to £181,760 a year earlier.

Reserves

At the 31st March 2017, the Trust had negative reserves of £331,692 (2016: negative reserves of £119,438). Of these reserves minus £956,000 relates to the pension scheme liability (2015; minus £737,000).

Excluding the LGPS pension scheme liability, the Trust's reserves were £624,308 (2016; £617,562) at 31st March 2017. Of these, £584,813 were unrestricted reserves (2016: £580,716) of which £7,682 were designated (2016; £nil) to enable the Trust to carry out remedial activity, should it be needed, on a completed project. Additionally, the Trust had £39,495 of non-pension related restricted reserves (2016: £36,846). Of these non-pension related restricted reserves, £27,355 (2016; £17,626) relates to surpluses on education and training activity which has been ring-fenced in accordance with HM Revenue & Customs' rules for maintaining the Trust's eligibility to treat education and training income as exempt from the need to charge Value Added Tax on it. The remainder of the restricted funds related to grant income which has been recognised in line with the practice set out in the Charities SORP for income recognition.

During the year, the Trust's Board of Directors reviewed its Reserves Policy and identified their rationale for holding reserves; which are to provide three months cover for all staff salaries and cash overheads (i.e. excluding depreciation and other non-cash items) as well as covering all liabilities on outstanding contracts. In addition, it was decided that a contingency of approximately £50,000 should be held to guard the Trust against unforeseen risks including: taking professional advice in relation to governance and compliance matters; and safeguarding against contract risks. On the basis of next year's business plan three month's running costs equates to approximately £400,000 while the outstanding contract liabilities at the 1st April 2017 totalled approximately £100,000. Allowing £50,000 for contingencies would give a target reserves level of £550,000 compared to the current level of £584,183. In the coming year, the Trust is planning to reduce the level of its unrestricted reserves to slightly below this target level.

Liquidity

Excluding the long-term LGPS pension scheme liability the Trust had net assets of £624,308 (2016; £617,562) at the year end.

After including the FRS102 valuation of the LGPS defined benefit pension scheme assets and liabilities on the Balance Sheet, the Trust's total liabilities exceeded its total assets. Because of the way this LGPS scheme is structured, this pension scheme liability can only be called-in in special circumstances, over which the Trust has control. As long as the Trust continues to operate and has actively contributing members (i.e. employees who are current members of

GREATER NOTTINGHAM GROUNDWORK TRUST
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2017

the scheme and for whom contributions are actively being paid into the scheme), which it has, then the scheme's liability cannot be called-in.

While the Trust does have control over the circumstances whereby this long-term liability becomes payable, the scheme's administrators are compelled to address this liability and put in place a plan for the Trust to eliminate it over time. This is done as part of the triennial valuation of the Fund in accordance with the regulations governing the LGPS. In doing this, the actuaries must have regard to the desirability of maintaining as nearly constant a rate as possible and the requirement to secure the solvency of the pension fund and the long-term cost efficiency of the Scheme. The methodology adopted at the triennial valuation is slightly different from FRS102 and currently produces a valuation lower than the FRS102 valuation. As a result of the triennial valuation that took place at the 31st March 2013, the Trust had to make an additional contribution in 2017 of £5,060 (2016; £4,930). The latest triennial valuation which took place at 31st March 2016 will result in the Trust making additional contributions of: £3,902 in 2018; £3,995 in 2019; and £4,091 in 2020.

On an annual basis, the Trust is confident that it can generate sufficient cash flow to meet this obligation, in addition to that needed for its other commitments.

Investment Policy and Performance

The Trust utilises its current and deposit accounts in order to generate small levels of interest on the cash balances it holds. It does not have any managed investments. The Board of Directors' priority is to safeguard the funds it holds. It does this by, wherever possible, ensuring that any funding held by a financial institution is readily accessible and is fully protected by the Financial Services Compensation Scheme.

GREATER NOTTINGHAM GROUNDWORK TRUST
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2017

STRUCTURE, GOVERNANCE AND MANAGEMENT

Groundwork Greater Nottingham's Aims and Objectives are set out in its Memorandum and Articles of Association which are detailed at the beginning of this report.

The Board

The Trust is governed by a Board of unpaid Directors who are also the Trustees of the Charity. The Board are responsible for the overall governance of the Trust in accordance with Company and Charity Law. At the 31st March 2017, the Board had nine Directors. During the year, there was a change of Chair. Keith Horton who had served as Chair from June 2014 resigned from the board, following a move abroad. He was replaced as Chair by Wendy Golland in January 2017. Following the retirement of Geoff Bennett in October 2016 the role of Deputy Chair was taken by Roscoe Fernandes.

In accordance with its Memorandum and Articles there are two types of Directors. Nominated Directors who are nominated to serve on the board by their member organisations or Co-opted Directors who are brought onto the board for their particular skills and experience through an open recruitment process. The Board is fully committed to the furtherance of the local communities that it serves.

All new Directors undergo an induction process to acquaint them with the Trust's Charitable Objects; policies and practise; aims and objectives; management and governance; and what is expected of them under legislation, with particular reference to Charity Commission guidance. Governance Training is provided and all Directors are expected to commit to the Principles of Public Office.

The Board operates in an open and transparent manner, balancing opportunity against risk with the objective of ensuring the long-term sustainability of the Trust. It delegates certain powers in connection with the management and administration of the Trust as set out below. This is controlled by regular reporting back to the Board so that all decisions made under delegated powers can be ratified by the full Board in due course.

Committees of the Board

The Board has four sub-committees who work within parameters defined by their respective approved Terms of Reference. As directed by the Board, all Committees regularly report back to and provide recommendations to the Board. The overall purpose of each committee is set out below:

Audit and Finance Committee – to ensure that there is a framework for accountability; for examining and reviewing all systems and methods of control both financial and otherwise including risk analysis and risk management; and for ensuring the Trust is complying with all aspects of the law, relevant regulations and good practice. The Committee is supported by the Trust Head of Finance and Business Services.

Human Resources Committee – to assist the Board in the discharge of their responsibilities for agreeing the staff plan, remunerating employees, reviewing HR systems and policies, ensuring that the Board has a full complement of members and ensuring the Trust is complying with all aspects of the law, relevant regulations and good practice. The Committee is supported by the Executive Director and the Support Services Manager.

GREATER NOTTINGHAM GROUNDWORK TRUST
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2017

Compliance Committee – to assist the Board in the discharge of their compliance responsibilities which includes quality management, health & safety management and contract compliance and ensuring that the Trust is complying with all aspects of the law, relevant regulations and good practice. The Committee is supported by Head of Contracts, Quality and Performance.

Strategic Committee - to assist the board to develop short, medium and long-term aims for the organisation, to review the short, medium and long-term aims and where appropriate make recommendations for change, to ensure the Trust remains sustainable and operates within its Charitable Objectives; to review the Trust's vision and mission on a regular basis to ensure it is relevant to the business, to review the aims and objectives of the annual business plan to ensure that the organisation remains on track to deliver its targets. The Committee is supported by the Executive Director and Head of Development.

Executive Director

The Executive Director is responsible for the day to day management of the Trust's affairs and for implementing the policies agreed by the Board of Directors. The Executive Director is assisted by a team of Senior Managers. In February 2017, Jo Bradley-Fortune the Trust's Executive Director since 2010 resigned to take up another post. The Board agreed that for an interim period the Trust would be managed collectively by the Senior Management Team, until a suitable replacement could be recruited.

Statement of Directors' Responsibilities and Corporate Governance

Company and Charity law requires the Directors to be responsible for their Annual Report and for the preparation of the financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the surplus or deficit of the Trust for that period.

In preparing those statements, the Directors have:

- Selected suitable accounting policies and then applied them consistently;
- Observed the methods and principles of the Charities Statement of Recommended Practice;
- Made judgements and estimates that are reasonable and prudent;
- Stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepared the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Directors have overall responsibility for ensuring that the Trust has an appropriate system of controls, financial or otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust 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 Trust and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- The Trust is operating efficiently and effectively;
- Its assets are safeguarded against unauthorised use or disposition and are properly applied; and
- The Trust complies with relevant laws and regulations.

GREATER NOTTINGHAM GROUNDWORK TRUST
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2017

Audit Information

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Corporate Governance

The Trust is committed to continuous improvement. Internal controls over all forms of commitment and expenditure continue to be improved. Processes are in place to ensure that performance is monitored and that appropriate management information is prepared and reviewed regularly by both the executive management and the Board of Directors.

The systems of internal control are designed to provide reasonable but not absolute assurance against material misstatement or loss. They include:

- A strategic business plan and annual budget approved by the Directors;
- Regular consideration by the Directors of financial results, variances from budgets and benchmarking reviews;
- Restricted and unrestricted cost control;
- Delegation of day-to-day management authority and segregation of duties; and
- Identification and management of risks.

Risk Management

The Trust's Audit and Finance Committee provides, on behalf of the Board, a lead in assessing potential business risks facing the Trust. It works with the Senior Management team to minimise those risks. During the year, under the guidance of the Audit Committee, the Board was able to consider how the Trust might respond to identified risk.

In terms of overall risks, the biggest risk to the Trust stems from the funding it seeks to fund its activity. This risk manifests itself in a number of ways:

- the changing face of the funding landscape, which has resulted in a much more competitive environment for securing funding as a result of reduced funding from Government at both a local and national level;
- the need to ensure that funding is secured from a variety of sources to minimise the reliance on any one funder or any single award of funding;
- the cost incurred in developing bids and securing funding from multiple sources in a highly competitive market;
- ensuring that funding covers not only the costs of directly delivering the activity being funded but also an equitable share of organisation costs plus a contribution to reserves to nurture and sustain the Trust in the long-term (full cost recovery plus);
- that reward and risk are fairly balanced in any funding award; and
- the need for unrestricted income to offset the above risks where they are not fully eliminated in secured funding.

GREATER NOTTINGHAM GROUNDWORK TRUST
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2017

Outside of the risks associated with securing income, the Trust recognises that the following major risks exist:

- in terms of its people, where because of its size there is a danger that key skills and knowledge are held by a single person;
- in terms of its systems, where a key part of the Trust's success is based upon its systems which if disrupted would have a significant ability on the Trust to operate; and
- the liability on its defined benefit pension scheme.

In recognising the above risks, the Trust's Directors and Senior Management have put in place actions to mitigate against these risks as well as regular review of both the risks and mitigating actions.

Training and Communications

The Trust recognises the value of its people and is committed to the training and career development of all employees. The Trust is an 'Investor in People' with a robust appraisal and staff development system in place ensuring the appropriateness and timeliness of all training.

Employees are kept fully informed of (and contribute to) development of strategy, objectives and delivery of stretching targets as well as news of day to day activities and events. Regular information about the organisation is available through meetings, briefings and the Trust's IT databases. All employees are encouraged to contribute their suggestions for improving the organisation.

The Trust has comprehensive Human Resources policies and procedures, with particular attention paid to Health, Safety and Welfare. The Trust supports equal opportunities and diversity and has a policy of recruitment and promotion at all levels on the basis of aptitude and ability.

The Trust Health, Safety and Welfare policy, supported by the staff training plan, sets out minimum standards of Health and Safety training for all staff. This includes Health and Safety Overview, Risk Assessment, Manual Handling and Fire Training components. The policy is reviewed regularly in order to ensure compliance with latest guidance.

The Trust has an approved Equality and Diversity Policy. Staff and subcontractors are expected not to discriminate on the grounds of race, gender, ethnicity, nationality, religious belief, disability, and marital status, and sexual orientation, responsibilities for dependants or unrelated criminal convictions. Induction training and supplementary consideration, within the context of Trust meetings, provides a vehicle for ensuring that diversity is valued by all staff. Diversity training forms a compulsory element of the Trust's induction programme, ensuring that all staff are appropriately informed and act accordingly. The Trust is committed to ensuring that both equal opportunity and diversity agendas are reflected in all of its activities.

Pensions

All employees are encouraged to join the Trust's pension plan. For those who joined the Trust after April 2008 this is a money purchase scheme provided through AEGON Scottish Equitable and is a federation-wide scheme arranged by The Groundwork Federation.

Prior to this date, employees were eligible to join a defined benefit scheme provided by Nottinghamshire County Council. This scheme was closed to new employees following

GREATER NOTTINGHAM GROUNDWORK TRUST
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2017

detailed consideration by the Board who concluded that on the grounds of affordability, and in order to enable better forward planning, the scheme should no longer be offered to new staff.



Wendy Golland
(Chair)
Date:

27-9-17

GREATER NOTTINGHAM GROUNDWORK TRUST
CHARITY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2017

COMPOSITION OF THE BOARD

Keith Horton (Chair) (resigned 27 February 2017)
Geoffrey Bennett (Deputy Chair) (resigned 31st October 2016)
Councillor Ron Hetherington
Susan Clarson
Wendy Golland (appointed as Chair 27th January 2017)
Janet Wootton (resigned 8th April 2016)
Cllr Jim Creamer
Cllr Sally Longford
Roscoe Fernandes (appointed as Deputy Chair)
David Wakelin (resigned 31st October 2016)
Eileen Atherton
Carole Harvey (appointed 1st April 2016)
Mike Hill (appointed 31st October 2016)

COMPOSITION OF BOARD COMMITTEES (as at 31st March 2017)

Audit & Finance Committee

S. Clarson (Chair)
G. Bennett (resigned 31st October 2016)
Mike Hill (appointed 31st October 2016)

Human Resources

R. Fernandes (Chair)
W. Golland
S. Longford

Compliance

R. Hetherington (Chair)
J. Wootton (resigned 8 April 2016)
J. Creamer
Sally Longford

Strategic

R. Hetherington (Chair)
Wendy Golland
Roscoe Fernandes
Carole Harvey
Sue Clarson

The Chair is an ex officio of all the Board Committees

GREATER NOTTINGHAM GROUNDWORK TRUST
CHARITY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2017

ADVISERS TO THE BOARD (as at 31 March 2017)

Executive Officers:

Executive Director	J. Bradley- Fortune (resigned 28 th February 2017)
Head of Finance and Business Services	P Shaw
Head of Development	L Thompson
Head of Operations	J Phelan
Head of D2N2	Colin Bradley
Head of Quality, Compliance and Performance	C Hale
Company Secretary	Sue Clarson (appointed)

Solicitors

Browne Jacobson
44 Castle Gate
Nottingham NG1 6EA

Insurance Adviser

Cooke and Mason plc
Crown House
West Carr Road
Retford DN22 7SW

External Auditor

Smith Cooper Limited
2 Lace Market Square
Nottingham
NG1 1PB

Value Added Tax Adviser

County VAT Consultancy
Pippin Cottage
Broadlane
Bishampton
Worcestershire
WR10 2LY

Health and Safety Adviser

Sigerson Associates Ltd
Rossington Business Park
West Carr Road
Notts DN22 7SW

Bankers

National Westminster
Nottingham Smiths Branch
Nottingham

Lloyds TSB
St James Street
Nottingham

Barclays
Sir Frank Whittle Road
Derby

HSBC
Long Row
Nottingham

Nottingham Building Society
Upper Parliament Street
Nottingham

CAF Bank
Kings Hill Avenue
West Malling
Kent

Yorkshire Bank
Lock House
Castle Meadow Road
Nottingham

Virgin Money
Jubilee House
Gosforth
Newcastle Upon Tyne NE3

GREATER NOTTINGHAM GROUNDWORK TRUST

INDEPENDENT AUDITORS' REPORT

(A company limited by guarantee)

We have audited the financial statements of Greater Nottingham Groundwork Trust for the year ended 31 March 2017 set out on pages 26 to 49. 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).

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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.

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 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' 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.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;

GREATER NOTTINGHAM GROUNDWORK TRUST
INDEPENDENT AUDITORS' REPORT

(A company limited by guarantee)

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

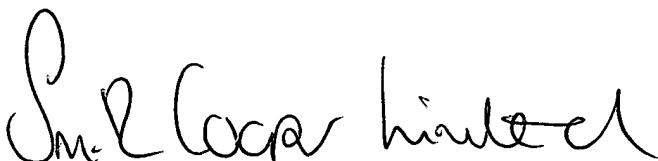
OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' report, incorporating the Strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- the company has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.



Sarah Flear (Senior statutory auditor)

for and on behalf of

Smith Cooper Limited

Chartered Accountants & Statutory Auditor

2 Lace Market Square

Nottingham

NG1 1PB

Date: 30 October 2017

GREATER NOTTINGHAM GROUNDWORK TRUST
INDEPENDENT AUDITORS' REPORT

(A company limited by guarantee)

	Note	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Unrestricted Funds Restated £	Restricted Funds Restated £	Total 2016 Restated £
Income and endowments							
Donations and legacies	2	8,853	-	8,853	6,000	-	6,000
Charitable Activities - People	5	-	3,126,788	3,126,788	-	2,173,582	2,173,582
Charitable Activities - Places	5	-	198,977	198,977	-	274,712	274,712
Other trading activities	3	10,429	-	10,429	23,891	-	23,891
Investment Income	4	3,096	-	3,096	4,590	-	4,590
TOTAL		22,378	3,325,765	3,348,143	34,481	2,448,294	2,482,775
Expenditure on:							
Raising funds	6	-	155,814	155,814	-	171,190	171,190
Charitable Activities - People		-	3,019,159	3,019,159	-	1,976,208	1,976,208
Charitable Activities - Places		-	195,424	195,424	-	286,622	286,622
TOTAL	8	-	3,370,397	3,370,397	-	2,434,020	2,434,020
NET INCOME / (EXPENDITURE)	7	22,378	(44,632)	(22,254)	34,481	14,274	48,755
Transfers between funds		(18,281)	18,281		33,133	(33,133)	
TOTAL BEFORE OTHER RECOGNISED GAINS / (LOSSES)		4,097	(26,351)	(22,254)	67,614	(18,859)	48,755

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING SUMMARY INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2017

Note	Unrestricted Funds	Restricted Funds	Unrestricted Total 2017	Funds Restated	Restricted Funds Restated	Total 2016 Restated
	£	£	£	£	£	£
TOTAL BEFORE OTHER RECOGNISED GAINS / (LOSSES)	4,097	(26,351)	(22,254)	67,614	(18,859)	48,755
Other recognised gains / (losses):						
Actuarial Gains and Losses in Defined Benefit Pension Scheme	-	(190,000)	(190,000)	-	114,000	114,000
NET MOVEMENT IN FUNDS	4,097	(216,351)	(212,254)	67,614	95,141	162,755
Reconciliation of funds:						
Fund balances brought forward	580,716	(700,154)	(119,438)	513,102	(795,295)	(282,193)
Fund balances carried forward	584,813	(916,505)	(331,692)	580,716	(700,154)	(119,438)

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above. Note 14 details changes in resources applied for fixed assets for charity use.

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

COMPANY NUMBER: 02556957

BALANCE SHEET AS AT 31 MARCH 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible Assets	14		11,889		5,469
CURRENT ASSETS					
Debtors	15	551,456		627,987	
Cash at Bank and in Hand		964,928		845,118	
		1,516,384		1,473,105	
CREDITORS: Amounts falling due within one year	16	(903,965)		(858,532)	
NET CURRENT ASSETS			612,419		614,573
PROVISIONS: For liabilities and charges	17		-		(2,480)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			624,308		617,562
Defined benefit pension scheme liability	11	(956,000)		(737,000)	
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES	19	(331,692)		(119,438)	
FUNDS					
Unrestricted Funds - general		577,131		580,716	
Unrestricted Funds - designated		7,682		-	
Total Unrestricted Funds	19		584,813		580,716
Restricted Funds excluding pension liability		39,495		36,846	
Pension Reserve		(956,000)		(737,000)	
Total Restricted Funds	19		(916,505)		(700,154)
TOTAL FUNDS	19		(331,692)		(119,438)

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

COMPANY NUMBER: 02556957

BALANCE SHEET AS AT 31 MARCH 2017

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements were approved by the Board and signed on its behalf by:



W Golland

Director

Date:

27.9.17

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2017

	<u>Note</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total 2017</u> £	<u>Unrestricted Funds Restated</u> £	<u>Restricted Funds Restated</u> £	<u>Total 2016 Restated</u> £
CASH FLOWS FROM OPERATING ACTIVITIES							
Net cash provided by / (used in) operating activities	22	69,155	59,357	128,512	81,425	(411,078)	(329,653)
CASH FLOWS FROM INVESTING ACTIVITIES							
Dividends, interest and rents from investments		3,096	-	3,096	4,590	-	4,590
Purchase of property, plant and equipment		(11,798)	-	(11,798)	(4,732)	-	(4,732)
Net cash provided by / (used in) investing activities		(8,702)	-	(8,702)	(142)	-	(142)
Increase / (decrease) in cash and cash equivalents in the year		60,453	59,357	119,809	81,283	(411,078)	(329,795)
Cash and cash equivalents at the 1 st April 2017		599,754	245,364	845,118	518,472	656,442	1,174,914
Cash and cash equivalents at the 31 st March 2017	23	660,207	304,721	964,928	599,754	245,364	845,118

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES

Basis of Accounting

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same financial statements.

Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102 published 16th July 2014 and the Charities Act 2011 and applicable regulations.

Greater Nottingham Groundwork Trust Limited meets the definition of a public benefit entity under FRS 102.

The principal office address is detailed on the cover page of these financial statements.

The financial statements are prepared in Sterling which is the functional currency of the company.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

This is the first year the accounts have been prepared in accordance with the new 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102 (effective 1 January 2015)'.

In addition, comparative information in respect of the year ended 31 March 2016 has been restated to reflect the removal of the expected return on assets in relation to the defined benefit pension scheme, to be replaced by a net interest cost comprising interest income on the assets and interest expense on the defined benefit obligation. Overall the brought forward individual fund balances, as at 1 April 2016, have not changed and therefore there is no amendment to the balance sheet, however the presentation in the SOFA and certain supporting notes has been amended to more accurately reflect cost classification.

Fund Accounting

General Funds are unrestricted funds which are available for use at the discretion of the directors in furtherance of the general objective of the Trust and which have not been designated for other purposes.

Restricted funds are funds subject to specific restrictive conditions imposed by funders or by the purpose of a grant. Where permitted by the funder's conditions surpluses made on restricted funding are available to transfer to unrestricted funds otherwise they are taken to restricted reserves and treated in accordance with the funder's wishes. The costs of raising, governing and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

All income and expenditure is shown in the Statement of Financial Activities.

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

[continues ...

1. ACCOUNTING POLICIES ...continued]

Income

Voluntary income including donations, gifts and legacies and grants that provide core funding or are of general nature are recognised where there is entitlement, sufficient certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the Trust has unconditional entitlement.

Activities for generating funding and investment income are recognised on a receivable basis.

Incoming resources from charitable activities include grants for the specific provision of goods and services to be provided as part of the Trust's charitable activities to its beneficiaries. Upon invoicing, these resources are held in deferred income until the income has been earned. Income is earned as follows:

- Where measurable stages of work have been completed, income is recognised to the value of the completed work.
- Where measurable outputs are specified as a condition of the grant, income is recognised on the basis of the proportion of the outputs completed compared to the total outputs to be delivered.
- Where outputs are specified as a condition of the grant, but are not readily measurable, income is recognised on the basis of the staff time needed to deliver those outputs. Here income is recognised on the basis of the proportion of the staff time incurred to date compared to the total staff time necessary to deliver the outputs.
- Where the right to income does not arise until the occurrence of a critical event, income is not recognised until that event occurs.
- Where the grant allows for the Trust to make a surplus, the surplus is recognised in line with the proportion of the project completed.

Gifts in Kind

Gifts in kind are valued in the financial statements where an actual value can be ascribed to them.

[continues ...

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES ...continued]

Resources Expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of generating funds comprises of the costs associated with attracting voluntary income and the costs incurred in developing trading activities to raise funds that will be used for the furtherance of the Trust's charitable purpose.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

Government Grants

From 2012 grants that relate to specific capital expenditure are taken as income in the year they are received with any surplus being held as a restricted reserve. Over the life of the asset, the cost of depreciation is taken as expenditure through the income and expenditure account and ultimately charged against the restricted reserve. Prior to 2012 grants that relate to specific capital expenditure were treated as deferred income and released to the credit of the income and expenditure account over the related asset's useful life.

Depreciation

Depreciation is calculated so as to write off the cost of tangible fixed assets (less estimated residual value) in equal annual instalments over their useful lives as follows:

Computer Equipment	33.3%	Straight line basis
Fixtures and Fittings	20%	Straight line basis
Motor Vehicles	25%	Straight line basis

Leasing Commitments

Operating lease rentals are charged to the profit and loss account.

[continues ...]

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES ...continued]

Provisions

Provisions are provided on the following basis:

- Dilapidations relate to premises rented by the Trust. They are provided in line with the maintenance and/or repair obligations stipulated in the rental agreement. The value to be provided is on the basis of a fully-costed schedule of the work to be undertaken.
- Redundancies relate to payments to be made to employees whose roles have been identified as redundant in the current financial year but whose role will not become redundant until a future financial year. Provision is only made when: redundant roles have been identified; the Trust's Board has approved that these roles are redundant; and the staff whose roles will become redundant have been informed that their role will become redundant.

Pensions

The company participates in two pension schemes.

1. Defined Contribution Pension Scheme

The Groundwork Federation Scheme is a money purchase scheme arranged by Groundwork UK with AEGON Scottish Equitable. Contributions to the scheme are charged against profits as they are paid and the only liability in respect of this scheme is any unpaid contributions at the year end.

2. Defined Benefit Scheme

Retirement benefits to some employees of the Trust are provided by the Local Government Pension Scheme (LGPS). The company is an admitted body of the LGPS, admitted by Nottinghamshire County Council.

The LGPS is a defined benefit funded scheme and the assets are held separately from those of the Company in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on the settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

[continues ...

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES ...continued]

The pension charge for the defined benefits pension scheme is based on a full actuarial valuation dated 31 March 2017.

Irrecoverable Value Added Tax (VAT)

The company is registered for VAT; because of the mixed nature of the supplies it makes, however, it has irrecoverable VAT arising due to partial exemption, which is included within resources expended.

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

2. DONATIONS AND LEGACIES

Donations and legacies can be analysed as being received from the following sources: -

	2017	2016
	£	£
Grants for core funding	6,000	6,000
Other grants	2,853	-
	<hr/>	<hr/>
	8,853	6,000
	<hr/>	<hr/>

3. OTHER TRADING ACTIVITIES

Other Trading Activities can be analysed as being received from the following sources: -

	2017	2016
	£	£
Rental income	-	2,100
Other	10,429	21,791
	<hr/>	<hr/>
	10,429	23,891
	<hr/>	<hr/>

4. INVESTMENT INCOME

Investments can be analysed as being received from the following sources: -

	2017	2016
	£	£
Interest received	3,096	4,590
	<hr/>	<hr/>
	3,096	4,590
	<hr/>	<hr/>

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

5. CHARITABLE ACTIVITIES

Income from charitable activities can be analysed as being received from the following sources: -

	2017	2016
	£	£
Local Government	393,830	570,359
National Lottery	2,039,808	1,368,703
Other Public Sector	717,606	365,507
Voluntary Sector	19,440	63,086
Private Sector	90,890	32,401
Landfill Tax	45,999	41,215
Other income	18,192	7,023
	<hr/>	<hr/>
	3,325,765	2,448,294
	<hr/>	<hr/>

6. RAISING FUNDS

Costs of raising funds can be analysed into the following activities: -

	2017	2016
	£	Restated
		£
Generating voluntary income	155,814	171,190
	<hr/>	<hr/>
	155,814	171,190
	<hr/>	<hr/>

7. NET RESOURCES EXPENDED BEFORE TRANSFERS

	2017	2016
	£	£
Net outgoing resources before transfers is after charging:		
Depreciation of owned assets	5,379	10,881
Auditors' remuneration	5,750	5,000
Operating lease payments - Leasehold property	13,356	13,000
Directors' expenses	2,048	4,866
	<hr/>	<hr/>

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

8. TOTAL RESOURCES EXPENDED

	Costs of Generating Funds £	People £	Places £	Support Costs £	Governance £	Total 2017 £	Total 2016 Restated £
Costs directly allocated to activities							
Salaries	96,278	648,130	54,907	267,837	32,265	1,099,417	853,731
Works and incidental costs	-	1,924,540	100,457	-	-	2,024,997	1,358,471
Director's Travel	-	-	-	-	2,048	2,048	1,584
Professional Fees	-	1,822	-	7,725	9,340	18,887	26,431
Bad debts written off / (Written Back)	-	-	-	405	-	405	-
Other direct costs	-	-	2,842	2,417	180	5,439	6,815
Other costs allocated to activities							
Office costs	4,108	32,150	2,691	11,754	1,417	52,120	46,281
Insurance	736	5,755	482	2,102	254	9,329	8,356
Depreciation	424	3,318	277	1,214	146	5,379	10,881
Printing, postage and stationery	451	3,530	295	1,292	155	5,723	3,386
Information technology	3,312	25,927	2,170	9,479	1,143	42,031	33,582
Recruitment	784	6,139	514	2,245	270	9,952	4,902
Training	806	6,308	528	2,306	278	10,226	12,546
Travel and motor expenses	247	1,933	162	707	85	3,134	2,885
Bank charges and other finance income	2,197	17,193	1,439	6,285	758	27,872	29,835
Equipment rental	77	604	51	220	27	979	979
Groundwork UK Membership Fee	394	3,084	258	1,128	136	5,000	5,000
Irrecoverable VAT on overheads	2,223	17,404	1,457	6,363	767	28,214	10,451
Sundry expenses	1,518	11,872	993	4,339	523	19,245	17,904
	113,555	2,709,709	169,523	327,818	49,792	3,370,397	2,434,020
Allocation of governance costs	5,573	40,804	3,415	-	(49,792)	-	-
Allocation of support costs	36,686	268,646	22,486	(327,818)	-	-	-
	155,814	3,019,159	195,424	-	-	3,370,397	2,434,020

Other costs allocated to activities are allocated on the basis of average headcount.

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

9. EMPLOYMENT COSTS

	2017	2016
	£	£
Salaries	967,988	729,068
Social Security costs	77,919	54,900
Pension costs	46,513	33,448
Temporary staff costs	6,997	36,315
	<hr/>	<hr/>
	1,099,417	853,731
	<hr/>	<hr/>

The emoluments of employees (excluding pension contributions) over £60,000 per annum are disclosed in £10,000 bands as follows:

	2017	2016
£60,000 - £69,999	0	1

Total contributions under defined contribution schemes on behalf of these higher paid employees were £nil (2016 - £4,580). At the year-end retirement benefits were accruing to no (2016 - 1) higher paid employees under defined benefit scheme.

Included in the salaries figure are no ex-gratia payments (2016: £28,500).

Key management personnel were paid a total of £203,729 (2016: £177,734).

The average number of persons employed by the company (excluding non-executive directors) during the year was:

	2017	2016
		Restated
People	25	19
Places	3	3
Generating funds	2	2
Support and governance	11	8
Employment Programme participants	2	3
	<hr/>	<hr/>
	43	35
	<hr/>	<hr/>

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

10. OTHER FINANCE INCOME

	2017 £	2016 £
Net interest on the defined liability (asset)	(27,000)	(29,000)
	<u>(27,000)</u>	<u>(29,000)</u>

11. PENSION SCHEMES

Employees of the company are eligible for membership of either a defined contribution pension scheme or a defined benefit pension scheme.

Defined Contribution Pension Scheme

The Groundwork Federation Scheme is a money purchase scheme; its assets are held in a separately administered fund. Contributions are made by employees at a minimum rate of 1% of salary. Employer contributions are made at the rate of 2% where an employee contributes up to 4.5% of their salary (2016 – up to 4.5%). Where an employee contributes at least 4.5% of their salary, the employer contribution is 7.5% of salary (2016 - 7.5%). At 31 March 2017 £5,686 (2016 - £3,670) was outstanding in relation to these transactions and the Income and Expenditure charge for the year was £29,199 (2016 - £17,385).

Defined Benefit Pension Scheme

The Nottinghamshire County Council Pension Scheme is a defined benefit scheme; its assets are held in a separately administered fund. Contributions are made by employees at the rate of between 5% and 7.5% of salary. Employer contributions are made at the rate of 13.1% of salary (2016 - 13.1%) with a monthly payment of £422 (2016 - £411) in addition to the contributions based on salary. Additionally, under the FRS102 actuarial valuation of the scheme at year end an extra £2,000 of employer contributions were identified as being necessary (2016 - £4,000). At 31 March 2017 £1,787 (2016 - £1,308) was outstanding in relation to these transactions and the Income and Expenditure charge for the year was £14,753 (2016 - £16,063).

The amounts recognised in the balance sheet are as follows:

	2017 £	2016 £
Present value of funded obligations	(2,022,000)	(1,540,000)
Fair value of scheme assets	1,066,000	803,000
Net liability	<u>(956,000)</u>	<u>(737,000)</u>

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

The amounts recognised in the Statement of Financial Activities are as follows:

	2017	2016
	£	Restated £
Service cost	(14,000)	(16,000)
Net interest on the defined liability (asset)	(27,000)	(29,000)
	<hr/>	<hr/>
	(41,000)	(45,000)
	<hr/>	<hr/>
Actual return on scheme assets	184,000	(6,000)
	<hr/>	<hr/>

Movements in the present value of the defined benefit obligation were as follows:

	2017	2016
	£	Restated £
Opening defined benefit obligation	1,540,000	1,625,000
Current service cost	14,000	16,000
Interest cost	58,000	57,000
Contributions by scheme participants	4,000	4,000
Change in financial assumptions	451,000	(148,000)
Change in demographic assumptions	6,000	-
Experience loss / (gain) on defined benefit obligation	(38,000)	-
Benefits paid	(13,000)	(14,000)
	<hr/>	<hr/>
Closing defined benefit obligation	2,022,000	1,540,000
	<hr/>	<hr/>

Changes in the fair value of scheme assets were as follows:

	2017	2016
	£	Restated £
Opening fair value of scheme assets	803,000	807,000
Interest on assets	31,000	28,000
Return on assets less interest	153,000	(34,000)
Other actuarial gains (losses)	76,000	-
Contributions by employer	12,000	12,000
Contributions by scheme participants	4,000	4,000
Benefits paid	(13,000)	(14,000)
	<hr/>	<hr/>
Closing fair value of scheme assets	1,066,000	803,000
	<hr/>	<hr/>

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

The cumulative amount of actuarial losses recognised in the Statement of Financial Activities was £484,000 (2016 - £265,000).

The company expects to contribute £13,000 to its defined benefit pension scheme in 2018.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2017	2016
Equities	70%	70%
Gilts	3%	3%
Other bonds	6%	7%
Property	11%	13%
Cash	5%	4%
Inflation-linked pool fund	2%	3%
Infrastructure	2%	1%
Total	100%	100%

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2017	2016
Discount rate	2.8%	3.8%
Future salary increases	4.2%	4.3%
Future pension increases	2.7%	2.5%
RPI increases	3.6%	3.4%
CPI increases	2.7%	2.5%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2017	2016
Retiring today		
Males	22.5	22.1
Females	25.5	25.3
Retiring in 20 years		
Males	24.7	24.4
Females	27.8	27.7

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2017 £	2016 £
Defined benefit obligation	(2,022,000)	(1,540,000)
Scheme assets	1,066,000	803,000
Deficit	<u>(956,000)</u>	<u>(737,000)</u>

12. DIRECTORS' REMUNERATION, EXPENSES AND RELATED PARTY TRANSACTIONS

The directors were not remunerated for any services in the current or prior year.

During the year two directors incurred travel costs totalling £2,048 (2016 - three directors at a cost of £1,564). Other expenses incurred were: £3,590 for legal advice (2016 - £3,035); and £180 for one director to attend the Groundwork Federation AGM (2016 - one director at a cost of £247).

13. TAXATION

The company is a registered charity and as such is exempt from corporation tax.

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

14. FIXED ASSETS

	Computer equipment £	Office fixtures and fittings £	Motor vehicles £	Total £
COST				
At 1 April 2016	37,262	13,205	13,225	63,692
Additions	8,879	2,920	-	11,799
Disposals	-	-	-	-
At 31 March 2017	46,141	16,125	13,225	75,491
DEPRECIATION				
At 1 April 2016	32,251	12,747	13,225	58,223
Charge for the year	4,480	899	-	5,379
Elimination on disposal	-	-	-	-
At 31 March 2017	36,731	13,646	13,225	63,602
NET BOOK VALUE				
At 31 March 2017	9,410	2,479	-	11,889
At 1 April 2016	5,011	458	-	5,469

All fixed assets are used for direct charitable purposes.

At 31st March 2017 the company had no capital commitments which were authorised and contracted for (2016 - £nil).

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

15. DEBTORS

	2017	2016
	£	£
Trade debtors	476,083	556,532
Amounts owed by Groundwork UK and other Groundwork Trusts	14,630	23,200
Accrued income	9,528	30,200
Prepayments	5,081	18,055
Other debtors	46,134	-
	<hr/>	<hr/>
	551,456	627,987
	<hr/>	<hr/>

16. CREDITORS: Amounts falling due within one year

	2017	2016
	£	£
Overdrafts	-	74,500
Trade creditors	75,153	90,134
Other taxes and social security	49,539	73,713
Grants received in advance and deferred grants	688,792	446,467
Other creditors	7,473	4,978
Accruals	83,008	168,740
	<hr/>	<hr/>
	903,965	858,532
	<hr/>	<hr/>

17. PROVISIONS FOR LIABILITIES AND CHARGES

	Provision for Redundancy	Total Provisions
	£	£
At 1 April 2016	2,480	2,480
Provided for during the year	-	-
Utilised during the year	(2,480)	(2,480)
Unutilised provisions released during the year	-	-
	<hr/>	<hr/>
At 31 March 2017	-	-
	<hr/>	<hr/>

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

18. OBLIGATIONS UNDER OPERATING LEASES

At 31st March 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

	Land & Buildings		Other	
	2017	2016	2017	2016
	£	£	£	£
Under 1 year	18,583	18,717	939	939
Expiring between 2 and 5 years	53,425	52,000	1,408	2,347
Over 5 years	20,034	32,500	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	92,042	103,217	2,347	3,286
	<hr/>	<hr/>	<hr/>	<hr/>

The above amount relates to five items. A lease for part of a property entered into in September 2015; a licence to occupy a property entered into in September 2015; an ongoing, secondary lease for photocopier/printing equipment entered into in September 2014; and a lease for a single property which the Trust entered into in September 2013.

19. ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

	Restricted Funds	Unrestricted Funds	Total 2017	Total 2016
	£	£	£	£
Tangible Assets	-	11,889	11,889	5,469
Current Assets excluding bank and cash in hand	392,032	159,424	551,456	627,987
Cash at bank and in hand	304,721	660,207	964,928	770,618
Creditors: amounts falling due within one year	(657,258)	(246,707)	(903,965)	(784,032)
Provisions for liabilities and charges	-	-	-	(2,480)
Defined benefit pension scheme liability	(956,000)	-	(956,000)	(737,000)
	<hr/>	<hr/>	<hr/>	<hr/>
	(916,505)	584,813	(331,692)	(119,438)
	<hr/>	<hr/>	<hr/>	<hr/>

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

20. SHARE CAPITAL

The company is limited by guarantee with no share capital. The equity in the company is owned by the members, each of whom has undertaken to contribute such amount not exceeding £1 as may be required under certain circumstances. At 31 March 2016 there were 4 members (2015 - 4).

21. ANALYSIS OF MOVEMENT OF FUNDS

	Balance 1.4.2016	resources (expended)	Net Transfers between funds	Actuarial gains and losses	Balance 31.3.2017
	£	£	£	£	£
Restricted funds					
excluding pension liability	36,846	(15,632)	18,281	-	39,495
Pension reserve	(737,000)	(29,000)	-	(190,000)	(956,000)
Unrestricted funds	580,716	22,378	(18,281)	-	584,813
	(119,438)	(22,254)	-	(190,000)	(331,692)

Incoming resources include amounts provided for running costs of the Trust. In the opinion of the directors this is appropriately disclosed as a transfer from restricted funds to cover the management costs of the Trust, which are charged out on projects.

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

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

	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total 2017</u> £	<u>Unrestricted Funds Restated</u> £	<u>Restricted Funds Restated</u> £	<u>Total 2016 Restated</u> £
Net movement in funds for the reporting period	4,097	(216,351)	(212,254)	67,614	77,141	144,755
Adjustments for:						
Depreciation charges	5,379	-	5,379	7,783	3,098	10,881
Non-cash Pension charges	-	219,000	219,000	-	(63,000)	(63,000)
Dividends, interest and rents from investments	(3,096)	-	(3,096)	(4,590)	-	(4,590)
(Increase) / decrease in debtors	261,562	(185,031)	76,531	(219,094)	(180,078)	(399,172)
Increase / (decrease) in creditors	(196,307)	241,739	45,432	227,232	(248,239)	(21,007)
Increase / (decrease) in provisions	(2,480)	-	(2,480)	2,480	-	2,480
Net cash provided by / (used in) operating activities	69,155	59,357	128,512	81,425	(411,078)	(329,653)

23 ANALYSIS OF CASH AND CASH EQUIVALENTS

Cash at bank and in hand	660,207	304,721	964,928	599,754	245,364	845,118
Total cash and cash equivalents	660,207	304,721	964,928	599,754	245,364	845,118

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

24. FIRST TIME ADOPTION OF FRS 102

The policies applied under the charity's previous accounting framework are not materially different to FRS 102 and have not impacted funds or net income/expenditure.

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

The grants shown below are required by the donor to be individually disclosed.

	Cash Held/ (Due) at 1 April 2016 £	Cash Received/ (Returned) £	Cash Expended £	Cash Held/ (Due) at 31 March 2017 £
<u>NATIONAL LOTTERY</u>				
Big Lottery Grants				
Grant from Youth In Focus				
Dig In Stay Out	78,213	-	(71,238)	6,975
	<u>78,213</u>	<u>-</u>	<u>(71,238)</u>	<u>6,975</u>
Grant from Talent Match				
Talent Match (Young & Successful)	35,484	1,614,465	(1,531,011)	118,938
	<u>35,484</u>	<u>1,614,465</u>	<u>(1,531,011)</u>	<u>118,938</u>
Grant from Building Better Opportunities				
D2N2/1/3 – Towards Work People First - Development	21,776	-	(21,776)	-
D2N2/1/3 – Towards Work People First – Programme	-	601,351	(408,808)	192,543
	<u>21,776</u>	<u>601,351</u>	<u>(430,584)</u>	<u>192,543</u>
<u>NOTTINGHAM CITY COUNCIL</u>				
Area Based Grant	8,445	218,344	(187,680)	39,109
Youth Employment - DWP	28,999	52,060	(70,992)	10,067
Youth Employment – ESF	-	59,163	(64,493)	(5,330)
	<u>37,444</u>	<u>329,567</u>	<u>(323,165)</u>	<u>43,846</u>