

Registered number: 02556957
Charity number: 1003426

**GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM
GROUNDWORK TRUST)**
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023



GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
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GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2023**

Trustees	Mr A Court (appointed 17 October 2022) Councillor J Creamer Mr K Daniell (appointed 17 October 2022) Mr D Ibell (appointed 17 October 2022) Ms E Idoine (appointed 3 January 2023) Ms M Madin Ms H Skinner Mr G Wright (appointed 24 July 2023) Ms S Bull (appointed 17 October 2022, resigned 31 May 2023) Mr R Fernandes (resigned 31 July 2023) Ms W Golland (resigned 17 October 2022) Mr M Hill (resigned 28 November 2022) Mr G James (appointed 17 October 2022, resigned 4 August 2023) Councillor S Longford (resigned 31 July 2023)
Company registered number	02556957
Charity registered number	1003426
Registered office	16 Commerce Square Lace Market Nottingham NG1 1HS

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CHAIR'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

The chairman presents his statement for the year.

Over the last year we have continued to pursue our strategy of People, Place and Planet, which is very much in line with the approach taken by Groundwork UK and the other members of the Groundwork federation of charities. As before, we are working with people to change the world we live in, be it through supporting people with improving their employment prospects; enhancing the communities in which they live and work; or by reshaping and managing some of the green spaces and natural habitats in the region which not only improves natural biodiversity but also creates areas which everyone can enjoy.

2022/23 was a dynamic year for us. One very visible change has been the change of the name from Groundwork Greater Nottingham to Groundwork Five Counties (GWFC). This was chosen to reflect our much greater geographical remit, which now includes all the East Midlands other than Northamptonshire. Over the course of the year the then Chief Executive Officer, Emma Atkins, led a significant review of the organisation which included:

- the development of a new strategy framework for 2023-26, which aligns with the strategic approach of the wider Groundwork federation
- a refresh of the board of trustees, including the recruitment of new trustees to replace those whose terms have ended
- addressing the need to diversify the income streams, particularly with the ending of the Building Better Opportunities – Towards Work programme (BBO) and
- overseeing the winding down of the BBO programme and redeploying and restructuring the GWFC staff to reflect the new portfolio.

As part of the refreshment of the board, Wendy Golland reached the end of her term and stood down as a trustee and Chair of the board. We thank her for her service and dedication to GWFC over many years. Keith Daniell succeeded her as Chair.

The fiscal year 2023/24 looks as if it will also be dynamic. In an organisation already contending with a lot of change, in June 2023 Emma submitted her resignation and the board decided to appoint an interim CEO, recruited internally. One of the new board members, Gareth James put himself forward and, after formal selection process was selected. In addition, Jo Kerry, Head of Operations, has chosen to retire early, which has led to Adam West, Data and Compliance Manager, being promoted and the roles being merged; a reorganisation of the administration function and outsourcing of accounting and employment law support has taken place; and, William Howarth has been contracted to provide strategic financial support.

The work of GWFC is becoming increasingly important in the current cost of living crisis. It is not exaggerating our impact when I say that our activities are truly transforming lives for the better. GWFC's mission is to "empower local communities to live their lives more sustainably". We help local people to flourish as individuals; be part of the local area; be proud of their local area; and improve the planet. As well as transforming the physical environment GWFC helps people with their physical and mental wellbeing, their finances and their skills. In the strategic review we placed the programmes into three broad categories:

- Community
- Environment
- Green Pathways.

The Community programme includes the Green Doctor delivery of home energy assessments and advice, the Beyond Barriers employability guidance (in certain geographical areas) and the Smile befriending initiative.

The Environment programme includes the landscape design and habitat management services, which provide our communities with quality outdoor facilities for relaxation, leisure and activity as well as developing new skills, connection to nature and social interaction; and, the range of outdoor activities, such as walks and Wellies in the Woods pre-school events, to get people interacting with nature and enhance early literacy skills.

The Green Pathway plans are yet to get underway however, we are developing new initiatives and adopting others from federation members that are being piloted with a view to adding them to the portfolio. This, and other new undertakings, will complement the communities and environment categories.

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CHAIR'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

We try to ensure that our activities do not stand alone:

- Green Doctor work is saving families and individuals from a great deal of expense and stress as our staff advise them on ways to reduce their bills. But they are also using the opportunity to point them to additional support, such as in Bassetlaw where we have been trialling using Green Doctor as a means to also inspect for damp and disrepair in council housing stock which improves homes but also alerts the housing authority to where they need to bring houses up to acceptable standards
- Smile can bring people closer to their communities and can lead to people volunteering to help with some of our environmental activities
- The support programmes that we have been funded to deliver for the Hong Kong communities are putting them in touch with a range of community services and engage with employment
- Our outdoor activities are bringing people into local green spaces and their wider communities but provide a platform for promoting other support such as Green Doctor and Smile.

The Trust is again grateful for the financial support of all our funders as without them we could not serve our beneficiaries. Fundraising for all charities continues to be the biggest challenge but the changing funding environment brings opportunities as well. This is especially apparent around local government where not only the funding opportunities but also the structures are changing. For example, Derbyshire and Nottinghamshire and the cities are likely to become part of a new combined authority with a mayor. Going forward there will be a great many smaller activities and a wider variety of funding sources, both commercial and grant funded, rather than a very few, large-scale programmes.

We are being proactive about securing more paid-for business for our more commercial propositions such as landscape design; we are seeking a wider range of funders for our social impact offers and, we are working with public sector bodies (parish, borough, district and local councils and combined authorities) to help them address their strategic goals, reduce costs, increase impact and capitalise on requirements such as Biodiversity Net Gain.

We are pleased to have the support of Groundwork UK with the continued funding of Green Doctor from the Cadent Foundation and Redress and, funding from Tesco to administer their instore grants programme. UK Shared Prosperity Funding and Levelling Up investments are highly competitive schemes for us to find funding, but we are seeing some success. GWFC continues to look at developing strong relationships across the public and third sectors, looking to collaborate with other organisations that share our vision.

Efficiency, dedication and coordinated team-working along with strong partnerships and collaborations will be vital for continued success, but we have a strong staff team, a supportive board and a wider federation who are keen to see GWFC thriving for the communities of the East Midlands that we already serve but also for those that we have yet to reach. We are reviewing all policies and procedures, training and support structures for staff and volunteers to ensure that all members of the GWFC family can perform to their best, can develop in their personal and professional lives and can deliver against GWFC's vision and objectives.

I would like to conclude this report by thanking all my fellow Board members for their work on behalf of the Trust and staff team who continue to deliver great projects and programmes and work extremely hard to ensure the success of the organisation.



Mr K Daniell
Chair
Date:

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 April 2022 to 31 March 2023. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

During the 2022-23 financial the name of the organisation changed from Greater Nottingham Groundwork Trust to Groundwork Five Counties. This change took place on 11 November 2022. In May 2022 the Trust appointed a new CEO, Emma Atkins. During the year we continued to work with the following vision and objectives whilst we underwent a major review of the organisation and a consultation process to develop a new strategy and business plan from April 2023 onwards.

Objectives and activities

a. Vision and Objects

The Charity seeks to support the development of an environment in which people and their communities flourish.

Mission

We 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 setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

In working towards our mission, 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. Our objectives 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

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Objectives and activities (continued)

- 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 be 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 workspace and/or land for use on favourable terms;
 - 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, and
 - x.) the promotion of public safety and prevention of crime.In the context of its charitable objectives, '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.

During the year a governance review was undertaken with the intention of positioning this organisation for long term sustainability. As part of this review a number of key actions were agreed, including the revision of the current Memorandum and Articles of Association in order to bring our governing document up to date and in line with best practice guidelines around governance. In addition, it was agreed that subject to Charity Commission permission the geographical areas in the objects are defined as Nottinghamshire, Derbyshire, Leicestershire, Lincolnshire and Rutland.

The Charity is a participating member of the umbrella body, the Federation of Groundwork Trusts, which comprises of Groundwork UK and fourteen independent Groundwork Trusts across England, Wales and Northern Ireland.

Achievements and performance

a. Review of the Year 2022-23

2022-2023 saw a transformational change for the Trust as we finished large multi-year programmes and developed a new strategy for the future of the organisation. This transition led to a new name for the charity to better reflect the extent of the work we do across the East Midlands.

In July 2022 the board conducted a governance review against the charity commissions code of governance to set ourselves on a path to "best in class". The skills audit conducted as part of this process led to an open recruitment campaign for new Trustees and a revision to our governing documents which modernised our membership. This led to a number of changes in Trustees across the course of the year. Length of service protocols were introduced and we said goodbye with much thanks to our Chair, Wendy Golland who had served as a Trustee for the Trust for over 10 years.

The modernisation of the board and readiness to plan for a new strategy led in turn to a major restructure, a new website and the development of working practices to be fit for the future. This work led to significant changes within the organisation, one of which was to outsource our finance function and we would like to thank our outgoing CFO Phillip Shaw for his lengthy and devoted service to the Trust.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

The funding landscape has significantly changed as a result of Brexit and post covid recovery and so we responded with new business processes aligned with our agreed strategic objectives. A new income generation pipeline was developed and implemented to focus the organisations efforts and ensure we are a going concern.

A great deal of work was led by the team as outlined below;

- We conducted a governance review in line with best practice of the Charity Commission Code of Governance and took positive actions to move towards great governance.
- We delivered support to beneficiaries whilst consulting and developing our first strategy.
- We modernised policies to be more people friendly and continue to do so.
- We developed new systems for reporting and planning fundraising to diversify our income sources and reduce risk.
- We retained talent within the organisation for our future sustainability.
- We have a growing organisational confidence as a whole staff and board team with a purpose and clarity in what we do and why.
- We have raised our profile with local partners through events, networking, social media, and relationship management.
- We have a stronger relationship with Groundwork UK which has been invaluable for opening doors for a range of support and income generation.
- We have a new look team along with a behaviour's framework in place, developed by the team and consulted on regularly.
- We have a new name and brand – which we consulted on extensively – to better reflect the areas we reach across the East Midlands.
- We have developed our new website.
- We have reflected, reviewed our delivery, and developed new services from this.
- We reviewed and updated our risk register which we use at board and executive level on a regular basis to keep the charity on track.

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TRUSTEES' REPORT (CONTINUED)
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Achievements and performance (continued)

b. Ensuring operational excellence

Governance

- Emma Atkins successfully recruited in May 2022 to take on the role of Chief Executive Officer
- Organisation/Strategic Analysis undertaken by CEO between May and June 2022 containing several recommendations for the board and SMT.
- Regular SMT meetings resumed in May 2022
- Marcoms/Fundraising group set up – first meeting May 2022, to look at our messaging to link programmes and promote fundraising opportunities.
- Recruitment drive to strengthen the board in the areas of marketing, corporate fundraising, business, environmental sustainability, health, and digital IT. This resulted in the successful recruitment of 5 new directors appointed in October 2022 and 1 appointed in January 2023.
- Retirement of long-standing chair Wendy Golland in October 2022.
- Appointment of Keith Daniell as new Chair following the retirement of Wendy Golland.
- Appointment of Margot Madin to the Federation board following the retirement of Wendy Golland
- Board committed to undertake an initial review against the Charity Code of Governance – self assessment framework. This review resulted in several actions and highlighted the need for further work around Equality, Diversity, and Inclusion at board level.
- Risk register reviewed and updated and included on the agenda of each board meeting – now standing item on board agenda.
- Extensive internal and external review involving staff, volunteers, funders, partners, and beneficiaries resulting in a new mission, vision and strategy focusing on People, Place, Planet and Partnership
- Review and update of the Charities Governing Document resulting in revised Articles of Association and Change of name to Groundwork Five Counties
- Introduction of Policy review framework, overseen by the Compliance Sub Committee to ensure that we have policies that are fit for purpose and reviewed and updated regularly in terms of organisational need and legislative requirements.
- Safeguarding policy reviewed and updated.

People

- Reopened the offices following COVID 19 from 1st April 2022 – all staff are now hybrid working.
- Equality, Diversity, and Inclusion – all staff attended Bystander training delivered by Stand by Me UK in April/May 2022
- Quarterly Team Days introduced in May 2022 to enable all staff training to meet organisational need and to involve staff in the development of our new mission, vision, and strategy.
- Fortnightly sharing sessions for all staff introduced to enable updates, training, and informal sharing across the organisation.
- People Group set up to develop our people culture across the organisation and support some of the policy review work. First meeting held November 2022.
- BBO and CRF programmes ended and therefore need to have a structure in place to take the Charity forward without these two programmes and delivery of our new strategy.
- Proposed structure developed and approved by the Board at February 2023 meeting. Within the new structure 25 new roles created and 12 roles remaining with some minor changes.
- Consultation with staff took place in February 2023 which resulted in some changes to the proposed structure, which were agreed by the board.
- Recruitment to the new roles took place in March 2023.
- Behaviours framework introduced during the consultation process and used in the recruitment for new roles.
- 24 new roles successfully recruited from existing staff with one post recruited externally.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

Finance

- Annual Audit to March 2022 took place in June 2022. The audit went well, and the Audited Accounts were approved at the October board meeting.
- Charity Commission and Companies House returns both completed within the required timescales.
- Following the announcement of the retirement of the CFO and the resignation of the Finance Manager, discussions have taken place and it has been agreed to out-source most of the finance function whilst maintaining a book-keeping service in-house. This was awarded to UHY Hacker Young.
- Agreed to extend the current IT contract with Polestar for a further three-year period, but with a 6-month break clause to enable us to modernise after a review.
- Successfully renegotiated our annual insurances with a reduction in cost from the previous year.
- Work around bank accounts and mandates to streamline our banking and update our name change.

c. Enabling local people

Towards Work – Building Better Opportunities

- A great final year of delivery to end our 6.5 years programme by March 2023.
- Final Full Partnership Towards Work Impact event held 28th February 23. A wonderful day bringing together past and present staff and partners, to share the collective impact of our person-centred programme. Towards Work looks back at 6 years of Building Better Opportunities - Building Better Opportunities (bbo-d2n2.org.uk)
- Outputs end position: 3689 participants supported (97% of target); 782 Over 50's supported (106% of target); 1714 with disabilities (115% of target); 450 from ethnic minorities (99% of target)
- Results end position: 606 people moved into education or training on leaving (121% of target); 424 Unemployed participants moved into employment (91% of target); 583 Economically Inactive people moved into employment or job searching on leaving (70%)
- Retained most of the outgoing BBO staff as part of the restructure to keep talent and momentum for the new strategy.
- Final Evaluation report published which shows the impact of the programme. Infographics from this final report showed the following impact of the programme:

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TRUSTEES' REPORT (CONTINUED)
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Achievements and performance (continued)

Newstart funded by CRF–Notts City & Notts County Programmes

- City: Programme successfully delivered support to 223 Participants supported, 120 of which in placements (target 100)
112 Participants supported into education,
68 still in education on leaving (target 50)
112 Participants supported to gain a qualification with 21 achieving qualifications to date (target 90)
11 Economically Inactive participants engaging in job search (target 15).
49 Participants supported to gain new non CRF employment, 48 are now in employment (target 0)
1 economically inactive participant engaged with benefits system (target 15)
- 66 Employers engaged on programme; 179 Placements created (target 100); 47 Employers receiving grants; 65 employers receiving non-financial support.
- County: Programme successfully delivered support to 154 Participants,
84 of which in placements (target 100).
73 Participants supported into education, 27 still in education on leaving (target 50)
73 Participants supported to gain a qualification and 15 achieving qualifications (target 90)
10 Economically Inactive participants engaging in job search (target 15)
7 Participant supported into employment outside of CRF employers (target 0); 8 participants supported and engaged in life skills following support (target 15)
59 Green Doctor Referrals (target 0)
- 62 Employers engaged on programme; 145 Placements created (target 100); 43 Employers receiving grants; 57 Employers receiving non-financial support.
- Evaluation reports for both programmes produced with key learning on programme set up and delivery recommendations for future programmes. Nottinghamshire Showcase event 15th May presentation.

Smile Befriending project.

- Continued to recruit, train, and manage volunteers to the role of befriender and manage referrals from a variety of sources, supporting people to make community connections and friendships and lessen negative effects of loneliness and isolation.
- Supported 284 people to not feel socially isolated by recruiting and training 61 volunteer befrienders across Nottingham City.

Green Doctor

- Delivered Green Doctor contracts for Cadent (3-year programme Oct 2020 to Sep 2023), Redress through Groundwork UK (2-year programme) and National Grid Energy Affordability Funding (to May 2023 with imminent decision on extension funding).
- We supported 500 households with an estimated reach of 2000 people who reduced their energy bills as a result.
- Increased Green Doctor capacity through an additional recruit, and through training up our wider coaches to be able to support with achieving outputs.
- Admin support trained to carry out initial triage and reach more people.
- Upskilled frontline staff to provide energy advice alongside other services for best value use of time.
- Increased promotions and community reach through drop-in sessions and event attendance.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

d. Grant management services/programmes

Tesco Community Grants (delivered via the Environment team currently)

- Supported over 324 grant applications for 27 Tesco regions which cover the whole of Five Counties.
- Arranged and chaired shortlisting meetings with Tesco colleagues.
- Provide promotional support for Tesco stores and Tesco Community Champions, including in store events.
- Provide support for all store Nominated organisations to achieve application.

Area Based Grants (Nottingham City Council)

- Maintained our role as Area 3 Lead covering the wards Aspley, Bilborough and Leen Valley.
- Formed a partnership with 12 local organisations to deliver the services across these wards for 2022/23, delivering Area Based Grants on behalf of Nottingham City Council.
- Delivery Plan detailing targets and financial allocations managed for the City Council over the year.
- Cost of Living crisis has resulted in increased demand and adjusted services to support those most vulnerable as much as possible.
- Finalised allocations for 2023/24 Delivery Plan.

Holiday Activity Fund (Nottingham City Council)

- Nottingham City Council's Holiday Activities grant funding managed by Groundwork for a further year. The Area 3 Partnership carries out delivery. The aims of the funding are for children eligible for free school meals or vulnerable to attend provision to eat healthily and be more active during school holidays; take part in engaging and enriching activities supporting personal development and educational attainment; be safe and not socially isolated.
- Christmas and New Year holiday provision delivered as per previous Board report.
- Easter provision currently under way to be reported at our Board meeting.

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TRUSTEES' REPORT (CONTINUED)
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Achievements and performance (continued)

e. Rejuvenating local green places

Maid Marian Park, Bilsthorpe, Newark & Sherwood District

- Produced detailed design, specification, and tender documents for the redevelopment of an existing recreation ground.
- Carried out full project management including tender process and contract administration to successful completion.

Co-op Sustainable Spaces

- Completed contract administration to completion and celebration event for Desborough Co-op Sustainable Space
- Completed Dudley Co-op Sustainable Space consultation, design, and tender process.
- Commenced initial design ideas for Bretby Co-op Crematorium.

National Forest and Trent & Dove Housing Association

- Completed feasibility study, consultation, and initial pilot design proposals for Trent & Dove housing green spaces, including cost estimate, maintenance plan and proposal for implementation. Gedling County Park Holocaust Memorial
- Completed design, specification, and schedules of work for Gedling Borough Council to implement.

Langley Mill Gateway Feature

- Completed planning application, design, and specification details for the replacement of the Lock gate gateway feature.
- Carried out Tender process and contract administration to successful completion and celebration event.

Selston Country Park

- Completion of design proposals and consultation for improvements and addition of play facility at Selston Country Park.
- Preparation of Detailed Design, specifications, schedules, and Tender documents.

Amber Valley Service Level Agreement (SLA)

- Provided design for Interpretation panel at Watchorn Park, Alfreton
- Maintained 6 local nature reserves with volunteers and friends' groups, ensuring sites are maintained to increase biodiversity, new habitats are created as appropriate, species surveys carried out to monitor success, access routes are maintained and repaired, events hosted to engage wider community in these natural spaces and nature. Two sites retained Green Flag status.
- Surveyed condition and viability of 3 routes forming part of the Amber Valley Routeways series, including liaison with Public Rights of Way and landowners for permissive paths, car parking facilities etc. Routeways leaflets/online descriptions updated accordingly.
- Managed the Autumn Footprints walking festival including, contacting, and arranging walks with over 20 organisations, providing information for website, marketing, and publicity. A two-week programme of 34 guided walks led by 50 volunteers attended by 402 walkers.

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TRUSTEES' REPORT (CONTINUED)
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Achievements and performance (continued)

Heanor & Loscoe SLA

- Completed maintenance of Red River Nature Reserve with Friends group and volunteers including habitat management and access maintenance works, wildlife monitoring and events.

Matlock Town Council SLA

- Completed maintenance of various wild sites owned by Matlock Town Council, working with Denesfield Rangers volunteer group. Works include habitat management and creation, improvements and maintenance of access routes, wildlife recording and events including pond dipping session with local school.
- Carried out access improvements and habitat management to agreed sites including recruitment and management of local volunteers.
- Carried out maintenance of Archaeological Way on behalf of the Bolsover Partnership with local volunteers.

National Forest Company SLA

- Carried out maintenance sessions to trails and sites within the National Forest with volunteers.
- Organised events to increase participation in the natural environment by the local community.
- Arranged training sessions for community groups operating in the National Forest.

Natural Neighbourhoods DEFRA Green Recovery Challenge Funding

- Completion of this programme to improve and create new habitats and access improvements in partnership with three local authorities.
- Completion of the Kickstart traineeship programme running complementary to the Natural Neighbourhoods programme. 6 successful trainees supported beyond the programme into employment.

SEGRO Green Employment Training programme

- Recruitment of 10 trainees to successfully deliver landscape improvements and associated training of skills at Country Park within Coalville in the National Forest in partnership with Leicestershire County Council.

CPRE Hedgerows for Heroes project

- Recruited volunteers and carried out hedge laying and hedge planting to 400 metres of hedgerow within Williamsthorpe Nature Reserve and 5 Pits Trail.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

f. Helping people into green jobs & volunteering plus increasing our funder relationships and new developments

Green Pathway Programme

Cultivated and developed a relationship with convenors with the Ministry of Defence and have been meetings to move the development forward. The aim of this is to build green pathway projects across the country with GWFC leading this relationship for all Trusts.

Commenced a development partnership with the Dukeries Academy in Ollerton to develop a Green Skills Academy/Pathway with a piece of land in focus for a site. Further discussions with Newark and Sherwood District Council and YMCA held and labour market mapping has commenced to feed into this programme, alongside possible capital, and revenue investments in the future.

Damp and Disrepair

Developed a new programme based on feedback from partners.

Submitted costings for a trial project in Bassetlaw and Nottingham City and Staffordshire (Housing Plus).

SLA in place with Bassetlaw to commence this with them in 2023/2024.

Met with Northern Homes Consortium (presentation to 35 separate Housing Associations and landlords)

Met with Mansfield Housing Associations and explored possibilities to widen our offer to their area. (and Ashfield)

Corporate Funding Relationships

- Shakespeare Martineau value in Kind Support agreement in place
- Enterprise and RS Logistics services in kind support provided to deliver over 100 winter warmer packs across Nottingham to people in need.
- Networks built through Nottingham City Business Club, Kuku Connect, Catena Business Network, The Circle Business Club, Sporting Communities and East Midlands Chamber
- British Gas (Leicestershire/ East Mids.), 10 agreed volunteering days (Leicestershire) with over 200 employees, town hall presentation and connection with fundraising activator

Financial review

a. Financial

As noted in the Review of the Year, this has been a year of transition for the Trust and that was reflected in the financial figures.

b. 2023 performance

Net expenditure before actuarial gains on the Trust's pensions schemes of £108,957 was at a similar level to the previous year (£99,184).

This ongoing operational loss reinforces the decision to develop the new strategic framework for the Trust to create a sustainable financial base from which to deliver our charitable objectives.

The overall movement in funds for the year however was a positive £727,750 (2021/22 £100,816) driven by a substantial actuarial gain on the defined benefit pension scheme.

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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

Full details of the Trust's pension commitments are included in the notes to the financial statements, but like a number of defined benefit schemes this year's FRS102 valuation has benefited from the general increase in interest and gilt rates. These rate increases drive down the scale of the future payment obligations which, accompanied by an increase in the value of the schemes assets has resulted in a £852,000 gain relative to last years position.

d. Income

Income in 2023 increased to £4,604,031 from £3,068,097 in 2022.

The Trust's biggest funder in 2023 remained the National Lottery with £2.4m of income for the Building Better Opportunities programme. The year also saw £1.6m of income from the UK government's Community Renewal Fund delivered through both Nottingham City Council and Nottinghamshire County Council. As noted previously in this report both of these funding streams have now ended.

e. Expenditure

Expenditure in 2023 increased to £4,728,281 from £3,167,281 in 2022.

£3.1m (65%) of this spend (2022 £1.9m (59%)) was the works costs on delivering the projects. The other major cost was our staff teams which increased from £1.1m (34% of total spend in 2022) to £1.5m (31%) to deliver the two large scale projects.

With the two major projects coming to end, the level of works costs will reduce accordingly in 2024, and the staff teams have been reduced to levels required to deliver the new strategy.

f. Liquidity

Excluding the long-term LGPS pension scheme liability, the Trust had net assets of £565,125 (2022: £635,082) at the year end.

Last year 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 positive movement in the actuarial valuation that is no longer the case.

Cash at bank and in hand at the end of the year was £515,567 which provides a material buffer whilst the new strategy and funding streams are delivered in 2024.

g. Reserves policy

The Trust's agreed Reserves Policy is 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 2022 the Trust also agreed to continue to provide a contingency of approximately £50,000 to guard the Trust against unforeseen risks including: taking professional advice in relation to governance and compliance matters, and safeguarding against contract risks.

The 2022 accounts noted a targeted reserves level of £470,000. Unrestricted reserves at March 2023 totalled £473,968.

In setting out to deliver its new strategy the Trust's Board of Directors has noted that reserves levels might fall below this level in the short term, but careful monitoring of cash forecasts should ensure our obligations to salaries, suppliers and funders can continue to be met.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management

a. Constitution

Groundwork Five Counties (Formerly Greater Nottingham Groundwork Trust) is registered as a charitable company limited by guarantee and was set up by a Trust deed.

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

The Board are responsible for the overall governance of the Trust in accordance with Company and Charity Law.

Groundwork Nottingham was first established in 1990, and the organisation was constituted with six members - four from the Nottinghamshire Local Authorities, one from Groundwork UK and one from Nottingham Development Enterprise. Each of these members appointed a representative to sit on the Board of the Trust and act as a Director (Company law) and Trustee (Charity Commission). Since its constitution two of the Trust's members, Rushcliffe Borough Council and Nottingham Development Enterprise have resigned from the Board, leaving a current membership of four, Nottinghamshire County Council, Nottinghamshire City Council, Gedling Borough Council and Groundwork UK.

Whilst it has been appropriate for Groundwork to operate with representatives previously, changes to the operational environment, the way services are delivered, the way funding is raised and the challenges we face as a charity going forward all mean the current constitution is no longer appropriate for our needs.

Following the appointment of Emma Atkins, our new CEO in May 2022, a review of the Charity has taken place with the intention of positioning this organisation for long term sustainability. As part of this review a number of key actions have been agreed, including the revision of the current Memorandum and Articles of Association. This will bring our governing document up to date and in line with best practice guidelines around governance.

The board believe that there is a need to move from a representative structure to a more formal basis of appointing Directors on a skills basis and who represent the much larger geographical area that the organisation now operates in. This is not to say that our past and present representatives have not fulfilled a worthwhile and valuable role. However, like all businesses and organisations there is a need for continued change and a requirement to evolve to meet the needs of our beneficiaries.

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 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.

Trustees are recruited through an open recruitment process. During 2022 a number of new directors were recruited onto the board and the charity used an external HR consultant to manage the process. The Articles state that:-

"In selecting individuals for appointment as Trustees the Trustees must have regard to the skills, knowledge and experience needed for the effective administration of the Charity and the social, ethnic and economic diversity of the wider community within the geographical area of benefit".

The Charity has written role descriptions for each post and a salary range which is based on benchmarking against similar or equivalent roles within the charity sector, other Groundwork Trusts and the wider market. The position that individuals are placed on the scale is determined by skill, experience and technical expertise.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

b. Committees of the Board

The Board has three 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.

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 Chief Executive Officer.

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 the Chief Executive Officer.

c. Chief Executive Officer

The Chief Executive Officer 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 Chief Executive Officer is assisted by a small team of Senior Managers.

d. Risk management

The Board and its sub committees lead in assessing potential business risks facing the Charity. It works with the Senior Management team to minimise those risks. During the year, under the guidance of the committees, 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 is in securing funding to continue its activities. In the Charity's case its reliance on one or two major funders has left it vulnerable as that funding comes to an end. Therefore, the Charity is working hard to diversify its funding to ensure its sustainability going forward.

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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

e. Training and communication

The Trust recognises the value of its people and is committed to the training and career development of all employees.

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 various methods. 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. The Trust has an Equality and Diversity Working Group, whose membership is made up of a cross-section of staff across the organisation. They meet on a regular basis to support the Trust in ensuring that equality and diversity is reflected in its internal policies and external programmes.

f. Pensions

All employees are encouraged to join the Trust's pension scheme. 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 Groundwork UK.

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 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

g. Advisers to the board (as at 31 March 2023)

ADVISERS TO THE BOARD (as at 31 March 2023)

Executive Officers:

Chief Executive Officer
Head of Environment and Communities
Board secretariat

Emma Atkins (from May 2022)
Jo Phelan
Jo Kerry

Solicitors

Browne Jacobson
44 Castle Gate
Nottingham NG1 6EA

Insurance Adviser

PIB Insurance Brokers
Crown House, West Carr Road
Retford DN22 7SW

External Auditor

PKF Smith Cooper Audit 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

Employment Lawyer

Gunnercooke LLP
1 Cornhill
London
EC3V 3ND

Bankers

National Westminster
Nottingham Smiths Branch
Nottingham

Lloyds TSB
St James Street
Nottingham

Barclays
Sir Frank Whittle Road
Derby

HSBC
Long Row
Nottingham

Virgin Money
Jubilee House
Gosforth
Newcastle Upon Tyne NE3

Yorkshire Bank
Lock House
Castle Meadow Road
Nottingham

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Plans for future periods

Looking ahead to the future 2023 - 2024 and beyond: our new vision, mission, objectives, strategies and tactics

GROUNDWORK FIVE COUNTIES PEOPLE - PLACE - PLANET - PURPOSE - PARTNERSHIPS			
VISION	Together we can support more people to flourish, enjoy & care for the places around them whilst being better guardians of our planet.		
MISSION	To empower local communities to live their lives more sustainably		
OBJECTIVES	Groundwork is enabling local people	Groundwork is rejuvenating local green places.	Groundwork is helping people into a green jobs and volunteering
STRATEGIES	We will help people improve their lives and their communities by providing sustainable solutions.	We will support people to protect and improve their local green spaces so that all lives flourish.	We will develop a pathway of opportunities to help people into green jobs and volunteering, ensuring we can all be better guardians of our planet.
TACTICS	How will we do it: ✓ With a unique team providing coaching and technical expertise that offers work readiness, green doctor support, befriending services, outdoor activities, and numeracy skills. ✓ By harnessing all the support available. ✓ By listening to communities and delivering advice and guidance to meet their needs. ✓ By providing expertise to help local organisations access grant funding.	How will we do it: ✓ By scaling up and marketing our services better, listening to the needs of the community and mitigating the effects of climate change to design safe and accessible green spaces. ✓ By developing commercial contracts to benefit local communities. ✓ By supporting communities with local habitat management projects that harness local partnerships and deliver sustainability and accessibility. ✓ By working with social housing providers and community associations to empower residents to enjoy outdoor spaces. ✓ By exploring biodiversity and carbon offset services to sustain the work of the charity and benefit the planet.	How will we do it: ✓ By developing a skills pathway for green jobs and volunteering, enabling access to funding and opportunities such as the apprenticeship levy provision. ✓ By putting the person who volunteers at the heart of our focus, linking them into our pathway and provide skills development towards jobs. ✓ By supporting local people to become community enablers, encouraging everyone to enjoy and protect green spaces. ✓ By working in collaboration with other agencies. ✓ By involving businesses and landowners in a drive towards net zero.

After such a productive year we are looking ahead with positivity and optimism to the future.

The transition from BBO to a version of Groundwork which is more in line with the wider federation and the decline in local authority funding has presented its challenges; however, staff are adapting to their new roles and there is significant demand for our services from across the region, especially those related to helping with the cost of living, energy efficiency and improving housing. In September 2023 we will be saying goodbye to our current CEO, Emma Atkins and will be joined by an interim CEO Gareth James to keep the momentum of our new Strategy going.

Plans and priorities for delivering on our new Strategy are in place and in progress. As a snapshot:-

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Plans for future periods (continued)

2023/24 Preview

SO 1 ENABLING LOCAL PEOPLE

- New Communities team in place including Delivery Manager Communities, and Area Managers and Area Lead roles across all Five Counties. Thus, ensuring that we are co-ordinated in our approach and reaching and promoting our new strategy, to encourage new partnerships, collaborations, and investments.
- Blended services – All coaching now under one joint team to include befriending, Green Doctor Services, Work coaching (new product name of Beyond Barriers), Multiply (numeracy support) and outdoor activities and maintenance (managed by the Head of Environment).
- Coaches are undergoing Level 3 Award in Education and Training
- Coaches all trained in Green Doctor energy advice stage one and planned more technical training for more specialist involved advice through external provider (Level 3 Qualification in Energy) and newly appointed Green Doctor Trainer.
- Agreed that Coaches will carry out befriending service in the interim to help with short term capacity and waiting lists. Training imminent via our newly appointed volunteering lead Trainer. More Volunteers currently being recruited and trained up.
- BUILD IT AND THEY WILL COME! We are capitalising on our unique opportunity of not being weighted by funder constraints for many of our staff, and showcasing our new blended offer of support, to encourage more investment and build up our connections. This is currently being showcased with our partnership with Nottinghamshire YMCA and through our evolving model soon to be delivered in Derbyshire, where we wish to build more presence and investment.
- A renewed team with vigour and drive to connect and grow our partnerships and our products across the full Five Counties area.

SO 2 - REJUVENATING LOCAL GREEN PLACES

- Coop Sustainable Spaces – Dudley contract administration. Bretby design details and contract development.
- Selston Country Park – Tender process.
- Tesco Community Grants – progress support for grant applications
- Amber Valley SLA – Quarter 1 maintenance
- Heanor & Loscoe SLA – Quarter 1 maintenance
- Matlock Town Council SLA – Quarter 1 maintenance
- Derbyshire County Council SLA – Quarter 1 maintenance and recruitment of volunteers
- National Forest Company SLA - Quarter 1 sessions
- SEGRO Green Employment Training programme – Project detailed, recruitment of trainees and commencement of delivery.
- Dukeries Academy Green Skills Academy Site development – investment for feasibility work in place and project to be developed with local partners.

SO3 - HELPING PEOPLE INTO GREEN JOBS AND VOLUNTEERING

- Explore the relationship with VIVO and Ministry of Defence to create a pathway of practical green skills across land and maintenance contracts.
- Consider a mentored and structured skills taster with practical involvement with a longer-term view of progressing individuals to formally recognised qualifications and work.
- Consider skills development for “hands on” practical green skills and skills associated with businesses and greening skills and knowledge.
- Practically look at engaging and working with hard-to-reach individuals to access opportunities and new skills around green spaces and development of spaces and habitats.
- Consider closer working relationships with businesses and educating them and staff teams on being more energy aware and improving the green foundations of their business and individuals understanding.

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Leading an efficient, effective and sustainable organisation

Underpinning all of this work for our beneficiaries is the work we do to operate as an effective, efficient and sustainable organisation – the plans and priorities for which are summarised below;

Governance

- Work with the board to introduce a behaviours framework at board level.
- Board recruitment campaign considering number of board members coming to the end of their maximum terms.
- Succession plan for board and SMT in line with skills auditing
- Induction and training plan for board
- Continue to support the board in relation to governance and any other requirements.

People

Embed new structure and support staff to transition into new culture, particularly in the first quarter where some staff are still carrying out their BBO roles.

- Update Role profiles and contracts for all staff who weren't at risk to ensure consistency across the organisation.
- Continue to progress the policy review work, introduce statements of intent, and roll out any training as required.
- Develop a training plan for staff to ensure that we can meet our delivery requirements.
- Work with the people group and operational team to make sure that every part of our people journey is effective, and our staff are able to perform.
- Develop a performance management process that incorporates our behaviours framework and ensures that the how of what we do is measured alongside the what.
- Work with managers to develop KPIs for all their staff.

Finance

- Out-sourced finance company UHY Hacker Young who commenced in April 2023. This will lead to a more streamlined and timely process and a move from SAGE 200 to Xero.

Other

- Review our IT, phone and equipment needs and retender the IT and phone contracts and/or bring them together into one contract.
- Review our staff location and office requirements to reduce travel costs and time and our carbon footprint
- Move our IT system onto the cloud.
- Change our email address back to @groundwork.org.uk in line with the rest of the Federation.

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, PKF Smith Cooper Audit Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Mr K Daniell
Chair
Date:

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GROUNDWORK FIVE COUNTIES
(FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)**

Opinion

We have audited the financial statements of Groundwork Five Counties (Formerly Greater Nottingham Groundwork Trust) (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to note 2.2 in the financial statements, which indicates that following the loss of the two major contracts, new funding streams in 2024 have not yet reached sustainable levels and existing cash reserves have reduced. As stated in note 2.2, these events or conditions, along with the other matters as set forth in the note 2.2, indicate that a material uncertainty exists that may cast significant doubt on the charitable company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GROUNDWORK FIVE COUNTIES
(FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST) (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GROUNDWORK FIVE COUNTIES
(FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST) (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified that the principal risk of fraud or non-compliance with laws and regulations related to:

- management bias in respect of accounting estimates and judgements made;
- management override of control;
- posting of unusual journals or transactions.

We focussed on those areas that could give rise to a material misstatement in the Society's financial statements. Our procedures included, but were not limited to:

- enquiry of management and those charged with governance around actual and potential litigation and claims, including instances of non-compliance with laws and regulations and fraud;
- reviewing minutes of meetings of those charged with governance where available;
- reviewing legal expenditure in the year to identify instances of non-compliance with laws and regulations and fraud;
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

It is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GROUNDWORK FIVE COUNTIES
(FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST) (CONTINUED)

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an 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 opinions we have formed.

PKF Smith Cooper Audit Limited

PKF Smith Cooper Audit Limited
Statutory Auditors
2 Lace Market Square
Nottingham
NG1 1PB

Date: 4 December 2023

PKF Smith Cooper Audit Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Charitable activities	4	4,604,031	-	4,604,031	3,061,843
Other trading activities	5	-	13,770	13,770	5,634
Investments	6	-	1,523	1,523	620
Total income		4,604,031	15,293	4,619,324	3,068,097
Expenditure on:					
Raising funds		13,039	-	13,039	45,120
Charitable activities		4,715,242	-	4,715,242	3,122,161
Total expenditure		4,728,281	-	4,728,281	3,167,281
Net movement in funds before other recognised gains		(124,250)	15,293	(108,957)	(99,184)
Other recognised gains:					
Actuarial gains on defined benefit pension schemes		852,000	-	852,000	200,000
Net movement in funds		727,750	15,293	743,043	100,816
Reconciliation of funds:					
Total funds brought forward		(768,593)	458,675	(309,918)	(410,734)
Net movement in funds		727,750	15,293	743,043	100,816
Total funds carried forward		(40,843)	473,968	433,125	(309,918)

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 30 to 47 form part of these financial statements.

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)

(A company limited by guarantee)
REGISTERED NUMBER: 02556957

**BALANCE SHEET
AS AT 31 MARCH 2023**

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	11	20,212	29,474
Current assets			
Debtors	12	370,742	311,440
Cash at bank and in hand		513,567	855,694
		<u>884,309</u>	<u>1,167,134</u>
Creditors: amounts falling due within one year	13	(339,396)	(561,526)
Net current assets		544,913	605,608
Total assets less current liabilities		<u>565,125</u>	<u>635,082</u>
Net assets excluding pension liability		565,125	635,082
Defined benefit pension scheme liability	20	(132,000)	(945,000)
Total net assets		<u><u>433,125</u></u>	<u><u>(309,918)</u></u>
Charity funds			
Restricted funds	14	(40,843)	(768,593)
Unrestricted funds	14	473,968	458,675
Total funds		<u><u>433,125</u></u>	<u><u>(309,918)</u></u>

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006. The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006. However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
Mr K Daniell
Chair
Date:

The notes on pages 30 to 47 form part of these financial statements.

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	(342,837)	189,635
Cash flows from investing activities		
Dividends, interests and rents from investments	1,523	620
Purchase of tangible fixed assets	(813)	(24,797)
Net cash provided by/(used in) investing activities	710	(24,177)
Change in cash and cash equivalents in the year	(342,127)	165,458
Cash and cash equivalents at the beginning of the year	855,694	690,236
Cash and cash equivalents at the end of the year	513,567	855,694

The notes on pages 30 to 47 form part of these financial statements

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. General information

The Trust is an incorporated charity, registered in England. Its registered office is 16 Commerce Square, Lace Market, Nottingham, NG1 1HS and the charity number is 1003426. The presentation currency of the financial statements is pounds sterling (£), and the financial statements are rounded to the nearest £1,000.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Groundwork Five Counties (Formerly Greater Nottingham Groundwork Trust) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The Trustees have reviewed a forecast for a period of twelve months from the date of these financial statements and believe that the Companies financial statements should be prepared on a going concern basis.

The Trustees recognise that following the loss of the two major contracts, new funding streams in 2024 have not yet reached sustainable levels and existing cash reserves have reduced.

The forecast produced for the next twelve months shows that profitability and cash levels will reach a sustainable level but recognise that as the forecasts requires growth over this year's achieved levels there is a material uncertainty that if this growth is not delivered our remaining cash reserves could be exhausted.

The Trustees continue to ensure that projected cashflows are monitored based on confirmed income on a weekly basis and will take such steps as necessary to secure additional funding or amend the cost base as appropriate to ensure the charity remains a going concern.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	-	20% Straight line
Office equipment	-	20% Straight line

2.7 Debtors

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

2.8 Cash at bank and in hand

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

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.9 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.10 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

2.11 Pensions

The Charity operates a defined contribution pension scheme. 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.

The Charity operates a defined benefit pension 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.

The pension charge for the defined benefits pension scheme is based on a full actuarial valuation dated 31 March 2023.

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising 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.

Investment income, gains and losses are allocated to the appropriate fund.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Significant areas of estimation for the Company include the calculation of the pension liability. Information is included in the pension note above and Note 20.

4. Income from charitable activities

	Restricted funds 2023 £	Total funds 2023 £
National Lottery	2,455,785	2,455,785
Central & Local Government	1,972,098	1,972,098
Voluntary Sector	27,170	27,170
Private Sector	126,798	126,798
Other Income	22,180	22,180
Total 2023	4,604,031	4,604,031

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

4. Income from charitable activities (continued)

	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
National Lottery	2,172,597	2,172,597
Central & Local Government	582,944	582,944
Voluntary Sector	7,855	7,855
Private Sector	291,647	291,647
Other Income	6,800	6,800
Total 2022	3,061,843	3,061,843

5. Income from other trading activities

Other trading activities can be analysed as being recieved from the following sources:

	Unrestricted funds 2023 £	Total funds 2023 £
Other	13,770	13,770

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Other	5,634	5,634

6. Investment income

Investments can be analysed as being recieved from the following sources:

	Unrestricted funds 2023 £	Total funds 2023 £
Interest recieved	1,523	1,523

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

6. Investment income (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Interest recieved	620	620

**GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM
GROUNDWORK TRUST)**
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

7. Total resources expended

	Fundraising £	People £	Places £	Support costs £	Governance £	Total £	2022 £
Cost directly allocated to activities							
Salaries	9,759	1,222,194	181,066	29,277	9,759	1,452,055	1,090,658
Works and incidental costs	-	3,052,156	25,238	-	-	3,077,394	1,879,780
Travel and motor expenses	-	-	13,123	-	-	13,123	10,048
Professional Fees	-	-	-	21,487	7,107	28,594	20,435
Other direct costs	-	-	-	-	112	112	-
Other costs allocated to activities							
Office costs	274	7,403	1,097	823	274	9,871	51,380
Insurance	450	12,140	1,798	1,348	450	16,186	12,868
Depreciation	280	7,556	1,119	840	280	10,075	7,908
Printing, postage and stationary	54	1,457	216	162	54	1,942	6,179
Training	372	10,049	1,489	1,117	372	13,398	1,690
Travel	148	4,009	594	445	148	5,345	1,024
IT costs	832	22,464	3,328	2,496	832	29,952	24,947
Bank charges	24	653	97	73	24	871	22,926
Equipment rental	-	-	-	-	-	-	2,489
Groundwork UK membership	-	-	-	-	-	-	12,000
Unrecoverable VAT	628	16,953	2,512	1,884	628	22,604	20,640
Sundry expenses	1,299	35,069	5,195	3,897	1,299	46,759	2,309
	<u>14,120</u>	<u>4,392,102</u>	<u>236,871</u>	<u>63,848</u>	<u>21,339</u>	<u>4,728,281</u>	<u>3,167,281</u>
Allocation of Governance Costs	667	18,005	2,667	-	(21,339)	-	-
Allocation of Support Costs	1,995	53,872	7,981	(63,848)	-	-	-
	<u>16,782</u>	<u>4,463,979</u>	<u>247,519</u>	<u>-</u>	<u>-</u>	<u>4,728,281</u>	<u>3,167,281</u>

Other costs allocated to activities are allocated on the basis of average headcount. Support costs of £63,848 relate to restricted funds (2022: £71,675, all restricted funds).

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

8. Auditors' remuneration

	2023	2022
	£	£
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	7,107	7,250

9. Staff costs

	2023	2022
	£	£
Wages and salaries	1,225,182	952,989
Social security costs	114,232	70,515
Contribution to defined contribution pension schemes	103,965	67,154
	<u>1,443,379</u>	<u>1,090,658</u>

The average number of persons employed by the Charity during the year was as follows:

	2023	2022
	No.	No.
People	27	27
Places	4	9
Generating Funds	1	1
Support and governance	4	5
	<u>36</u>	<u>42</u>

In 2023 no employee received remuneration amounting to more than £60,000 per annum (2022: Nil).

Key management personnel were paid a total of £216,920 (2022: £114,510).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, expenses totalling £112 were reimbursed or paid directly to 1 Trustee (2022 - £NIL to no Trustees).

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

11. Tangible fixed assets

	Motor vehicles £	Office equipment £	Total £
Cost or valuation			
At 1 April 2022	31,950	31,954	63,904
Additions	-	813	813
At 31 March 2023	<u>31,950</u>	<u>32,767</u>	<u>64,717</u>
Depreciation			
At 1 April 2022	12,397	22,033	34,430
Charge for the year	5,590	4,485	10,075
At 31 March 2023	<u>17,987</u>	<u>26,518</u>	<u>44,505</u>
Net book value			
At 31 March 2023	<u>13,963</u>	<u>6,249</u>	<u>20,212</u>
At 31 March 2022	<u>19,553</u>	<u>9,921</u>	<u>29,474</u>

12. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	214,746	105,207
Amounts owed by Groundwork UK	26,194	68,690
Prepayments and accrued income	129,802	137,543
	<u>370,742</u>	<u>311,440</u>

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

13. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	126,220	71,913
Other taxation and social security	48,134	24,930
Other creditors	10,973	9,896
Accruals and deferred income	154,069	454,787
	<u>339,396</u>	<u>561,526</u>
	<u><u>339,396</u></u>	<u><u>561,526</u></u>
	2023	2022
	£	£
Deferred income at 1 April 2022	441,683	170,700
Resources deferred during the year	140,099	441,683
Amounts released from previous periods	(441,683)	(170,700)
	<u>140,099</u>	<u>441,683</u>
	<u><u>140,099</u></u>	<u><u>441,683</u></u>

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

14. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds					
General Funds	458,675	15,293	-	-	473,968
Restricted funds					
Restricted Funds	176,407	4,604,031	(4,689,281)	-	91,157
Pension reserve	(945,000)	-	(39,000)	852,000	(132,000)
	(768,593)	4,604,031	(4,728,281)	852,000	(40,843)
Total of funds	(309,918)	4,619,324	(4,728,281)	852,000	433,125

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

14. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2022 £</i>
Unrestricted funds						
General Funds	479,838	6,254	-	(27,417)	-	458,675
Restricted funds						
Restricted Funds	218,428	3,061,843	(3,131,281)	27,417	-	176,407
Pension reserve	(1,109,000)	-	(36,000)	-	200,000	(945,000)
	<u>(890,572)</u>	<u>3,061,843</u>	<u>(3,167,281)</u>	<u>27,417</u>	<u>200,000</u>	<u>(768,593)</u>
Total of funds	<u><u>(410,734)</u></u>	<u><u>3,068,097</u></u>	<u><u>(3,167,281)</u></u>	<u><u>-</u></u>	<u><u>200,000</u></u>	<u><u>(309,918)</u></u>

15. Summary of funds

Summary of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
General funds	458,675	15,293	-	-	473,968
Restricted funds	(768,593)	4,604,031	(4,728,281)	852,000	(40,843)
	<u>(309,918)</u>	<u>4,619,324</u>	<u>(4,728,281)</u>	<u>852,000</u>	<u>433,125</u>

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

15. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2022 £</i>
General funds	479,838	6,254	-	(27,417)	-	458,675
Restricted funds	(890,572)	3,061,843	(3,167,281)	27,417	200,000	(768,593)
	<u>(410,734)</u>	<u>3,068,097</u>	<u>(3,167,281)</u>	<u>-</u>	<u>200,000</u>	<u>(309,918)</u>

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	20,212	20,212
Current assets	430,553	453,756	884,309
Creditors due within one year	(339,396)	-	(339,396)
Provisions for liabilities and charges	(132,000)	-	(132,000)
Total	(40,843)	473,968	433,125

Analysis of net assets between funds - prior year

	<i>Restricted funds 2022 £</i>	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	29,474	29,474
Current assets	597,937	569,197	1,167,134
Creditors due within one year	(421,530)	(139,996)	(561,526)
Provisions for liabilities and charges	(945,000)	-	(945,000)
Total	(768,593)	458,675	(309,918)

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

17. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net expenditure for the year (as per Statement of Financial Activities)	(108,957)	(99,184)
Adjustments for:		
Gain on pension scheme	852,000	200,000
Depreciation charges	10,074	7,908
Dividends, interests and rents from investments	(1,523)	(620)
Non-cash pension changes	(908,362)	(164,000)
Increase in debtors	(59,302)	(19,392)
Increase/(decrease) in creditors	(126,767)	264,923
Net cash provided by/(used in) operating activities	(342,837)	189,635

18. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	513,567	855,694

19. Analysis of changes in net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	855,694	(342,127)	513,567
	855,694	(342,127)	513,567

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

20. Pension commitments

The Charity operates a defined benefit 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 3% of salary, Employer contributions are made at the rate of 3% where an employee contributes up to 4.5% of thier salary (2022: up to 4.5%). Where an employee contributes at least 4.5% of thier salary, the employer contribution is 5% of salary (2022: 5%). At 31 March 2023 £9,655 (2022: £5,965) was outstanding in relation to these transactions and the charge for the year was £64,965 (2022: £66,629).

The Charity operates a defined benefit pension 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.

The pension charge for the defined benefits pension scheme is based on a full actuarial valuation dated 31 March 2023.

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 12.5% of salary. Employer contributions are made at the rate of 20.2% of salary (2022: 20.2%). Additionally, under the FRS102 actuarial valuation of the scheme at year end an extra £1,000 of employer contributions were identified as being necessary (2023: £13,000).

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

	At 31 March 2023	At 31 March 2022
	%	%
Discount rate	4.80	2.60
Future salary increases	3.90	4.25
Future pension increases	2.90	3.25
CPI Increases	2.9	3.25

GROUNDWORK FIVE COUNTIES (FORMERLY GREATER NOTTINGHAM GROUNDWORK TRUST)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

20. Pension commitments (continued)

	At 31 March 2023 Years	<i>At 31 March 2022 Years</i>
Mortality rates (in years)		
- for a male aged 65 now	20.7	21.6
- at 65 for a male aged 45 now	22.0	23.0
- for a female aged 65 now	23.5	24.3
- at 65 for a female aged 45 now	25.0	25.8

The Charity's share of the assets in the scheme was:

	At 31 March 2023 £	<i>At 31 March 2022 £</i>
Equities	887,000	846,000
Gilts	32,000	41,000
Corporate bonds	90,000	95,000
Property	181,000	179,000
Cash and other liquid assets	80,000	78,000
Other	254,000	157,000
Total fair value of assets	1,524,000	1,396,000

The actual return on scheme assets was £29,000 loss (2022 - £120,000).

The amounts recognised in the Statement of financial activities are as follows:

	2023 £	<i>2022 £</i>
Current service cost	(34,000)	(30,000)
Net interest on the defined liability (asset)	(25,000)	(22,000)
Administrative expenses	(1,000)	(1,000)
Total amount recognised in the Statement of financial activities	(60,000)	(53,000)

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

20. Pension commitments (continued)

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

	2023	2022
	£	£
Opening defined benefit obligation	2,341,000	2,397,000
Contributions by scheme participants	5,000	4,000
Benefits paid	(33,000)	(32,000)
Change in financial assumptions	(996,000)	(111,000)
Change in demographic assumptions	(125,000)	-
Actuarial gain	369,000	5,000
Current service cost	34,000	30,000
Interest cost	61,000	48,000
Closing defined benefit obligation	1,656,000	2,341,000

Movements in the fair value of the Charity's share of scheme assets were as follows:

	2023	2022
	£	£
Opening fair value of scheme assets	1,396,000	1,288,000
Interest income	36,000	26,000
Expected return on assets	(65,000)	94,000
Contributions by employer	21,000	17,000
Contributions by scheme participants	5,000	4,000
Other actuarial gains	165,000	-
Benefits paid	(33,000)	(32,000)
Admin expenses	(1,000)	(1,000)
Closing fair value of scheme assets	1,524,000	1,396,000

21. Operating lease commitments

At 31 March 2023 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023	2022
	£	£
Not later than 1 year	1,365	11,304

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NOTES TO THE FINANCIAL STATEMENTS
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22. Related party transactions

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 March 2023.

Total key management personnel compensation has been disclosed within Note 9.