

Groundwork Pride Limited
Report of the Directors and
Financial Statements For The Year Ended 31 March 2019

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Groundwork Pride Limited

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For The Year Ended 31 March 2019

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Groundwork Pride Limited
Company Information
For The Year Ended 31 March 2019

DIRECTORS:	P Cooper J Readshaw D Queenan
SECRETARY:	Ms S J Munro
REGISTERED OFFICE:	Environment & Business Centre Merlyn-Rees Avenue Morley LEEDS West Yorkshire LS27 9SL
REGISTERED NUMBER:	02871169 (England and Wales)
AUDITORS:	Allotts Business Services Ltd, Statutory Auditor Chartered Accountants The Old Grammar School 13 Moorgate Road Rotherham South Yorkshire S60 2EN
BANKERS:	The Co-operative Bank Wakefield WF1 3BG

Groundwork Pride Limited

Report of the Directors

For The Year Ended 31 March 2019

The directors present their report with the financial statements of the company for the year ended 31 March 2019.

RESULTS FOR THE YEAR

A profit of £24,222 prior to gift aid donation (2018:£43,815) was made on turnover of £536,584 (2018:£435,800). The profit before the application of the Group Management Charge was £58,890.

REVIEW OF BUSINESS

Groundwork Pride Limited (GPL) is a trading subsidiary of the North Yorkshire and Wakefield Groundwork Trusts who are charitable company whose objects are environmental and employment improvements.

GPL has further developed its forward order book, securing over £1m of work for future periods with a target client ratio of 30% small/medium landscaping work; 40% housing developer related and 30% design build work developed and delivered in partnership. We are achieving a better than 50% tender success rate on our bid for work with ongoing positive client feedback - essential for our very competitive market place.

Our specific projects range from garden and public open space creation in areas of new housing to the delivery of technically demanding landscapes in commercial, public and private spaces. Projects completed in the past twelve months include hard and soft landscaping projects with values from £5,000 to £50,000.

Whilst GPL is not directly involved in the provision of charitable services, it works closely with the Trusts and its contribution to the success of the Trusts is more than simply the gift aiding of annual surplus. By delivering quality environmental service, GPL actively promotes the aims of its parent Trusts and the national Groundwork network, often in areas and with partners who are not familiar with the work of Groundwork.

Whilst we have a clear focus on more commercial opportunities, our trading company remains important to the delivery of Groundwork's wider strategy in Yorkshire and the Humber, a process which brings added benefit as overhead costs are shared and staff gain greater and wider experience. Both locally and nationally the Federation of Groundwork Trusts has also initiated a process of change and has renewed its overall strategy whilst introducing a new partnership agreement for member trusts. This process of change means that our work and development activity is being more closely aligned with that of fellow Groundwork Trusts. This has led to a number of interesting and useful developments already, including the shared development of design services with our colleagues in the North East which has the potential to expand the work of GPL further.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2018 to the date of this report.

P Cooper
J Readshaw
D Queenan

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Groundwork Pride Limited

Report of the Directors
For The Year Ended 31 March 2019

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'P Cooper', with a stylized flourish at the end.

P Cooper - Director

16 July 2019

Report of the Independent Auditors to the Members of
Groundwork Pride Limited

Opinion

We have audited the financial statements of Groundwork Pride Limited (the 'company') for the year ended 31 March 2019 which comprise the Income Statement, Balance Sheet and Notes to the Financial Statements, 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 company's affairs as at 31 March 2019 and of its profit 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 Companies Act 2006.

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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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

Without modifying our opinion on the financial statements, we draw attention to the disclosures made in note 2 to the financial statements concerning the company's ability to continue as a going concern. The company has net liabilities and has been unable to make capital repayments to its loan creditors when due. These and the other conditions detailed in note 2 to the accounts indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Report of the Independent Auditors to the Members of
Groundwork Pride Limited

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors 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 directors determine 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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 a Report of the Auditors 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.

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 Report of the Auditors.

Use of our report

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



Mark Garrison BCom FCA DChA (Senior Statutory Auditor)
for and on behalf of Allotts Business Services Ltd, Statutory Auditor
Chartered Accountants
The Old Grammar School
13 Moorgate Road
Rotherham
South Yorkshire
S60 2EN

Date: 18/12/19

Groundwork Pride Limited
Income Statement
For The Year Ended 31 March 2019

Notes	2019 £	2018 £
TURNOVER	536,584	435,800
Cost of sales	383,860	309,792
GROSS PROFIT	152,724	126,008
Administrative expenses	128,524	87,014
	24,200	38,994
Other operating income	2,350	6,417
OPERATING PROFIT	26,550	45,411
Interest payable and similar expenses	2,328	1,596
PROFIT BEFORE TAXATION	24,222	43,815
Tax on profit	-	-
PROFIT FOR THE FINANCIAL YEAR	24,222	43,815

The notes form part of these financial statements

Balance Sheet
31 March 2019

	Notes	2019 £	2018 £
FIXED ASSETS			
Tangible assets	4	1,516	-
CURRENT ASSETS			
Debtors	5	196,299	193,949
Cash at bank		13,032	244
		<u>209,331</u>	<u>194,193</u>
CREDITORS			
Amounts falling due within one year	6	<u>273,979</u>	<u>264,830</u>
NET CURRENT LIABILITIES		(64,648)	(70,637)
TOTAL ASSETS LESS CURRENT LIABILITIES		(63,132)	(70,637)
CREDITORS			
Amounts falling due after more than one year	7	<u>294,114</u>	<u>310,831</u>
NET LIABILITIES		<u>(357,246)</u>	<u>(381,468)</u>
CAPITAL AND RESERVES			
Called up share capital		100	100
Retained earnings		<u>(357,346)</u>	<u>(381,568)</u>
SHAREHOLDERS' FUNDS		<u>(357,246)</u>	<u>(381,468)</u>

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

The financial statements were approved by the Board of Directors on 16 July 2019 and were signed on its behalf by:


P Cooper - Director

Groundwork Pride Limited

Notes to the Financial Statements **For The Year Ended 31 March 2019**

1. STATUTORY INFORMATION

Groundwork Pride Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

These accounts have been prepared on the going concern basis on the assumption that the joint owners, Groundwork Wakefield Limited and Groundwork North Yorkshire, will continue to support its operations. Groundwork Wakefield Limited has group net current liabilities on unrestricted funds. Details of Groundwork Wakefield Limited's plans to address the deficit of funds can be found in note 1 of its accounts. The Board considers it appropriate to prepare the accounts on a going concern basis.

Turnover

Turnover represents revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts. Revenue is recognised when work is performed. Any excess of sales invoiced over revenue recognised is included as deferred income within other creditors, and any deficit as accrued income within other debtors.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the costs of fixed assets, less their estimated residual value over their expected useful lives on the following bases:

Plant & machinery	- over 5 years straight line
Fixtures & fittings	- over 3-5 years straight line

Pension costs

The company makes contributions to the West Yorkshire Pension Scheme, a multi-employer defined benefit pension scheme. This company's share of the scheme cannot be separately identified and therefore, in accordance with FRS102 the contributions have been accounted for as defined contribution pension scheme. Within the accounts of the parent company the pension scheme has been accounted for as a defined benefit scheme as the group's share of the scheme can be identified. The pension charge represents contributions payable by the company to the scheme.

3. EMPLOYEES AND DIRECTORS

The average number of employees was 5 (2018: 4).

Groundwork Pride Limited

Notes to the Financial Statements - continued
For The Year Ended 31 March 2019

4. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Totals £
COST			
At 1 April 2018	7,694	15,841	23,535
Additions	1,895	-	1,895
At 31 March 2019	9,589	15,841	25,430
DEPRECIATION			
At 1 April 2018	7,694	15,841	23,535
Charge for year	379	-	379
At 31 March 2019	8,073	15,841	23,914
NET BOOK VALUE			
At 31 March 2019	1,516	-	1,516
At 31 March 2018	-	-	-

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	149,366	154,839
Amounts owed by group undertakings	90	852
Other debtors	46,843	38,258
	<u>196,299</u>	<u>193,949</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	138,921	72,782
Amounts owed to group undertakings	77,668	83,880
Taxation and social security	-	160
Other creditors	57,390	108,008
	<u>273,979</u>	<u>264,830</u>

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019 £	2018 £
Amounts owed to group undertakings	193,193	204,271
Other creditors	100,921	106,560
	<u>294,114</u>	<u>310,831</u>

The above includes £226,677 (2018:£243,620) payable in instalments due after more than five years.

8. RELATED PARTY DISCLOSURES

The company donates profits to the controlling charities based on the work performed in their operational areas. Donations to be paid for the year are £nil (2018: £nil).

The company entered transactions not under normal market conditions with its shareholders as follows:

	Sales £	Purchases £	Debtors £	Creditors £
2019	4,103	44,958	-	379,280
2018	10,977	163,884	709	406,059

Groundwork Pride Limited

Notes to the Financial Statements - continued
For The Year Ended 31 March 2019

9. **ULTIMATE CONTROLLING PARTY**

The company is controlled by Groundwork Wakefield Limited as the majority shareholder. The registered office of Groundwork Wakefield Limited is Environment & Business Centre, Merlyn-Rees Avenue, Morley, Leeds, LS27 9SL.

The company is consolidated in the group accounts prepared by its parent Groundwork Wakefield Limited which are available from Companies House.

Groundwork Pride Limited

Trading and Profit and Loss Account
For The Year Ended 31 March 2019

	2019		2018
	£	£	£
Project income		536,584	435,800
Cost of sales			
Project costs	382,283		307,946
Pensions	1,198		999
Depreciation of tangible fixed assets			
Fixtures and fittings	379		847
	<u> </u>	<u>383,860</u>	<u>309,792</u>
GROSS PROFIT		152,724	126,008
Other income			
Sundry receipts		2,350	6,417
		<u>155,074</u>	<u>132,425</u>
Expenditure			
Pensions	6,317		5,946
Non-project costs	86,039		78,739
Management fee	34,668		451
Auditors' remuneration	1,500		1,500
Bad debts	-		378
	<u> </u>	<u>128,524</u>	<u>87,014</u>
		26,550	45,411
Finance costs			
Loan interest		2,328	1,596
NET PROFIT		<u><u>24,222</u></u>	<u><u>43,815</u></u>

This page does not form part of the statutory financial statements