

Company No 2556957

GREATER NOTTINGHAM GROUNDWORK
TRUST LIMITED
(a company limited by guarantee)
DIRECTORS' REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007

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GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

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FOR THE YEAR ENDED 31 MARCH 2007

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GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

COMPANY INFORMATION

COMPANY NUMBER

2556957

CHARITY REGISTRATION NUMBER

1003426

DIRECTORS

V A Dwyer (Chairman)
K Stanyard
L Seymour
Councillor W H Golland
Councillor D E Pulk
Councillor C M Wombwell
S J Hallsworth
Councillor E Campbell
C Townend
L Walker
G Bennett

SECRETARY

Mrs J Kerry

REGISTERED OFFICE

Denman Street East
Nottingham
NG7 3GX

AUDITORS

Blythens
Haydn House
309-329 Haydn Road
Sherwood
Nottingham
NG5 1HG

BANKERS

National Westminster Bank plc
Nottingham Smiths Branch
Nottingham

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2007

The Board of Directors of Greater Nottingham Groundwork Trust present their annual report for the year ended 31 March 2007 under the Companies Act 1985 and the Charities Act 1993, together with the audited financial statements for that year

Reference and Administrative Details

Greater Nottingham Groundwork Trust, trading as Groundwork Greater Nottingham, is a registered Charity (Charity Registration No 1003426) and a company limited by guarantee (Company Registration No 2556957) It has no share capital and its registered office is Denman Street East, Nottingham NG7 3GX The present Directors, and any past Directors who served during the year, are given on page fifteen, together with the names of any senior executive staff

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trust is governed by its Memorandum and Articles of Association adopted on November 12th 1990 As a charitable Trust, Groundwork Greater Nottingham is administered by a Board of eleven unpaid Directors The Board of Directors is responsible for the overall governance of the Trust

The Board

Groundwork Greater Nottingham seeks to appoint all of its Directors through an open recruitment process, with the exception of the four Directors which represent the local authorities sponsoring the Trust and the nominee of Nottingham Development Enterprise Limited, one of the founding partners of the Trust These members are nominated by the respective local authority or organisation, but ultimately the Board needs to agree to the nomination In other circumstances, the formal recruitment and selection process is informed by the Trust's Equal Opportunity Policy and Recruitment and Selection procedures The Board are fully committed to the furtherance of the local area

Directors are appointed with particular reference to their skills, experience and networks The Trust seeks to balance equality and diversity on the Board while taking into account these requirements All new Directors receive an Induction Pack and undergo a formal Induction Process to acquaint them with Groundwork Greater Nottingham's policy and practise, aims and objectives, management and governance, and what is expected of them under legislation, with particular reference to Charity Commission guidance Governance Training is provided and all Directors are committed 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 the exercise of 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

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2007

Committees

The main committees of the Board work within parameters defined by their respective approved Terms of Reference. The committees and their responsibilities are -

Audit Committee

The Audit Committee, which comprises three Directors (Keith Stanyard as Audit Committee Chair, Carol Townend and Geoffrey Bennett), plus ex officio Valerie Dwyer, the Trust's Chair, and is attended by the Trust Executive Director, Finance Manager and Company Secretary, meets on a regular basis. It is responsible for liaising directly with the Trust External Auditors, Risk Assessment and Management, Internal Control and reviewing Financial Performance and format of Financial Information – all of which it communicates with the Board. The Audit Committee works to ensure that proper procedures are in place to manage cash resources prudently, and to advise the Board on the appropriate level of unrestricted reserves.

The Committee work to an agreed Action Plan against which performance is measured. Key tasks during this year include consideration of the Trust's Reserves and Business Continuity Policies, Risk Assessment, revision of some of the Trust's financial procedures, provision of financial training for the Board and overseeing the introduction of changes resulting from the 2005/2006 Audit. For 2007/2008 the work plan includes progressing the Financial Procedures Manual, reviewing the Trust's employee pension provision, further Financial Training for new and current members of the Board, and Business Continuity planning.

Appointments and Remuneration Committee

This Appointments and Remuneration Committee have been charged with assisting in developing robust processes for recruitment and selection of senior Trust staff, the establishment of respective remuneration levels and their periodic review. The Committee's activities inform the annual business planning process and its three Board members, Chair Councillor Wendy Golland, Louise Seymour and Linda Walker, work to approved terms of reference. The work of the Committee is supported by the Trust's Human Resources Manager. Work undertaken during the year includes the review of some of the salaries being paid to existing posts, helping to frame a number of HR policies (subsequently adopted by the Board) and consideration of pay awards relating to the 2007/2008 financial year (also ratified by the Board). For 2007/2008 the committee's primary focus will be to assist in reviewing and benchmarking the Trust's terms and conditions of employment, including pensions and salaries.

Funding and External Sponsorship/Support Committee

The Funding and External Sponsorship/Support Committee considers potential income generating opportunities for the Trust. The committee of three Board members (Valerie Dwyer, Darren Pulk, Susan Hallsworth) is supported by the Executive Director and Development Manager, working to approved terms of reference. Particular emphasis during 2006/2007 was placed upon the consideration of trading arm arrangements as a vehicle for generating alternative sources of finance and the scope for securing private sector sponsorship for the Trust or indeed individual activity areas. Objectives contained in the 2007/2008 Trust Business Plan shall provide a framework for future meetings.

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

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FOR THE YEAR ENDED 31 MARCH 2007

Networks and other relationships

Groundwork Greater Nottingham is a Member of the umbrella body, the Federation of Groundwork Trusts, which comprises some fifty independent Groundwork Trusts across England and Wales. The Federation is evolving regional offices, but currently the majority of its activities are coordinated from its Birmingham headquarters (Lockside, 5 Scotland Street Birmingham B1 2RR)

Executive Director

The Executive Director is responsible for the day to day management of the Trust's affairs and for implementing policies agreed by the Board of Directors. The Executive Director is assisted by a team of Senior Managers.

Statement of Directors' Responsibilities And Corporate Governance

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

- Selected suitable accounting policies and then applied them consistently
- Made judgements and estimates that are reasonable and prudent
- Stated whether applicable accounting standards and statement of recommended accounting practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepared the financial statements on a going concern basis

The Directors have overall responsibility for ensuring that the Trust has an appropriate system of controls, financial or otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that

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

Corporate Governance

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

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2007

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

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

Risk Assessment and Management

The Trust's Audit Committee has been charged with ensuring that the Trust has a formal and robust approach to minimising risk, and prioritisation of treatment. During the year, under the guidance of the Audit Committee, a comprehensive Risk Assessment process has commenced. This involves identifying the types of risk the Trust faces, considering the Trust's current response to the risk, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. Part One of the Risk Assessment Schedule, which focussed upon Governance, was approved by the Board in November 2006 and was used to inform the 2007/8 Business Plan. The remaining sections of the Schedule will be progressed and approved incrementally.

The risk assessment schedule has been developed as a 'living' document that will systematically be reviewed and revised. The document is a valuable tool with procedures for reporting failings immediately to appropriate levels of management and to the Board of Directors.

The Trust has traditionally secured funding from a variety of funding streams. This is healthy since it spreads the risk, however, such an approach can also be resource expensive, if the value of bids is low. The Trust remains keen to bid to a range of funders, but is determined to raise the financial value of the bids which it submits. It has demonstrably begun to succeed in this aspiration, and will build upon this success moving forward. During 2006/2007 Groundwork Greater Nottingham secured funding from a range of sources which are defined elsewhere within this report. Major external funding risks which are beyond the Trust's direct control include

- the reduction by the Groundwork Federation of Project Development Funding (PDF), the grant which all Groundwork Trusts receive from Government,
- restructuring and budgetary constraints in partner organisations, and
- securing the elusive 'Full Cost Recovery' which is loudly voiced but has yet to materialise.

The Trust has over the financial year become increasingly concerned about the decision making processes of some funders, particularly those relating to the National Lottery, where guidance received has often been contradictory and decisions reached confusing. The complexity of, and resources required to complete such bids for funding demands a robust and transparent process based upon a framework which remains constant and not liable to significant change. Our experience during the last year suggests that this is by no means universal across all project processes.

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REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2007

OBJECTS, OBJECTIVES AND PRINCIPAL ACTIVITIES OF THE TRUST

Vision and Mission

Groundwork Greater Nottingham's vision is framed by its long-term strategic statement, which seeks to provide a focus to the year 2010. The Trust continues to work towards a society made up of sustainable communities which

- are vibrant, healthy and safe,
- respect the local and global environment

and where

- individuals thrive and
- enterprise prospers

The Trust believes that it has a vital role to play in creating a better local society and recognises that in striving to deliver its vision, it can support fully the holistic regeneration agenda of a range of national, regional and more local organisations

Groundwork Greater Nottingham's mission is

"To develop and deliver sustainable projects aimed at the regeneration of local physical, economic and social environments through the creation of meaningful partnerships between national, regional and local government, business and the related communities"

Groundwork Greater Nottingham's Strategic Aim

By 31st March 2010 Groundwork Greater Nottingham will

- Be focused upon the impact of its work as its primary measure of success whilst ensuring that financial performance enables its sustainability
- Be concentrated mainly upon the delivery of its activities within the most deprived communities of Greater Nottingham
- Be accepted and recognised as the Regional Flagship Trust by Groundwork UK and its national and regional partners and be regarded as deliverer of choice for key local partners
- Be an exemplar of Best Practice across all areas of our organisation
- Be securing at least 70% of its business plan funding requirement in advance of the respective financial year
- Be securing increased impact and financial sustainability delivered by broader activity, in theme and geography, with costs driven down to generate financial surpluses inline with the Trust's Reserves Policy
- Be effective in the delivery of additional community benefit and unrestricted income through 'arms-length' trading arrangements

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REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2007

What we do

Groundwork Greater Nottingham supports a "bottom-up" approach to regeneration, giving people the confidence, the skills and the resources to have a greater say in the future of their communities. In supporting this approach, the Trust recognises that it needs to engage also at the strategic level if the resources for delivering regeneration through community engagement are to be made available.

People, place and prosperity are inextricably linked and are reflected by the strategic programmes which the Trust delivers. These create opportunities for people to take local action, deliver better, safer and healthier neighbourhoods, and help businesses and individuals fulfil their potential.

Strands and Themes

Groundwork Greater Nottingham employs Community Workers, Education officers, Environmental Business Advisors, Landscape Architects, Youth Workers, Food workers and dedicated support staff in order to improve quality of life, particularly for those suffering from disadvantage. The objects of the Trust are:

- To promote the conservation, protection and improvement of the physical and natural environment anywhere in the area of benefit,
- To provide facilities in the interest of social welfare for recreation and leisure time occupation with the objective of them improving the conditions of life in the area of benefit, and
- To advance public education in environmental matters

Trust staff, and a growing number of volunteers, deliver sustainable change by working across four inter-related themes:

- Children and Young People
- Safer, Stronger and Greener Communities
- Healthier Communities
- Economic Development and Enterprise

People and their local, and global, environments lie at the heart of what we do. Through consultation, and partnership engagement, Groundwork Greater Nottingham is able to bring together community 'wants' and 'needs' in order to deliver activity which is locally appropriate, responsive and, as far as is practicable, sustainable.

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FOR THE YEAR ENDED 31 MARCH 2007

ACHIEVEMENTS AND PERFORMANCE IN 2006/2007

Review of Activities

The Trust vigorously pursued its overall objectives for the year, as contained in the 2006/07 Business Plan including -

- Growth in the number of hours of community beneficial activity being delivered by the Trust The Trust has one of the largest population catchments within the UK Federation of Groundwork Trusts and includes some of the most disadvantaged communities in both the region and UK The Trust is now working smarter to deliver benefit to more people within its operational area
- Achieving, subject to endorsement the BS8555 Standard to phase three BS8555 is a framework for assessing progression towards achieving a robust Environmental Management System
- Securing reconfirmation of Investor in People status
- Continuing to review operating structures, systems, and processes through the development of a Business Excellence Action Plan as an aid to supporting our Business Performance Improvement Process (based on European Framework for Quality Management approaches) and progressing the selection of a robust project management system to be implemented in 2007/2008
- Building upon our growing reputation for quality delivery, flexibility and commitment to joint working to reinforce existing partnerships while positioning us to develop new working relationships
- 'Gearing up' for larger, more cost-effective project and programme activity including new multi-year projects The Trust secured its first LAA commission in 2006/2007
- Exploring alternative income streams for sustainability The Trust completed an emda funded feasibility study exploring the potential for developing a social enterprise seeking to recycle construction waste

Groundwork Greater Nottingham was also a pilot Trust for the Federation's new National Performance Measures (NPMs) introduced at the end of 2006/07 and have therefore helped shape how all Trusts within the Federation will measure impact in the future

During the year the Trust took positive steps to enhance its strong Governance further Training was developed and delivered to the Board over the year, which focussed upon Director responsibilities relating to Trust finances Alongside that, three of the Trust's Senior Management Team successfully completed a 'Finance for non-Financial Managers' course delivered by the University of Nottingham The Board also introduced an appraisal process whose purpose was to establish actions required to further strengthen the support which Directors provide to the Trust and to further enhance the effectiveness of the Board

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FOR THE YEAR ENDED 31 MARCH 2007

All of our activities however large or small have local significance and local impact Particular successes during 2006/2007 include -

- Trent River Park – The Trust has continued to project manage this initiative with the support and endorsement of a number of key partners The aim is to exploit the potential of the river as a recreation and regeneration asset as it passes through Nottingham This is a significant and potentially high profile scheme
- Public Realm Activity – The Trust delivered a number of well-received environmental improvement schemes across the sub-region which attracted substantial positive publicity Through a television phone vote, the St Anns Play Centre, a scheme project managed by the Trust secured ‘Peoples Millions’ funding At the heart of these and all other Trust schemes is robust ‘community’ engagement
- Youth Activity in the City of Nottingham and Broxtowe Borough Council – The Trust has been commissioned by Nottingham City Council and Broxtowe Borough Council to deliver youth outreach within the respective Local Authority areas Additionally, the Trust secured Single Regeneration Budget funding which enabled it to deliver a short-term but resource rich programme of youth activity, focussing upon one of the most deprived areas within the greater Nottingham area The project sought to raise aspirations, demonstrate cultural and work related opportunities and invest some valuable time in young people deserving a chance Trust youth activities in 2006/2007 built upon the success of earlier youth delivery which delivered improvements to the local physical environment, attitudes, health and behaviours of young people in the more disadvantaged communities
- Environmental Business Services – The Trust has continued to deliver its own programme of environmental business support, identifying and serving a niche market, and facilitating solutions to meet the needs of the smallest businesses while helping them onto the ladder of formal accreditation
- Volunteering - Groundwork Greater Nottingham has, over the 2006/2007 financial year, enhanced its volunteering programme and through the process engaged over thirty volunteers The programme offers excellent opportunities for self-development while contributing to community good
- St Ann’s Allotments – The Trust played a key role in securing resources to secure the future of the oldest urban allotment complex in the world Over the year, and through significant partner and user consultation, the Trust developed a comprehensive technical plan for enhancing the complex, alongside a robust set of policies, procedures and development plans This activity has been well received by all involved and the Trust’s growing reputation enhanced further
- Schools – During the year the Trust extended the range of services which it can provide to schools in Greater Nottingham The enhanced set of services were marketed through a dedicated and targeted ‘brochure for schools’ and is generating interest The progress made will be built upon in 2007/08

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REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2007

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

In 2007 the Trust made an unrestricted surplus of £62,551 (2006 £1,079) This was significantly ahead of the Business Plan target of a surplus in excess of £20,000

Total incoming resources increased in 2007 to £1,290,643 from £1,092,254 in 2006 with both incoming resources from generating funds and from charitable activities showing healthy increases

Incoming resources from charitable activities benefited from the Trust's investment in a full-time Development Manager in 2005 as the Trust had secured well over half of the year's targeted income by the start of the financial year This enabled the Trust to deliver its activity more effectively than in previous years As a result the Trust was able to grow incoming resources from charitable activities by 18% to £1,165,708 (2006 £983,932) Driving this increase were strong increases in funding from local government, the voluntary and private sectors and from landfill tax Local government funding grew as a result of the Trust delivering major detached youth work projects for both Nottingham City Council and Broxtowe Borough Council Voluntary sector income almost quadrupled over its 2006 levels primarily due to funding received from The Renewal Trust to progress pre-development work on St Ann's Allotment Private sector income includes funding administered by Groundwork UK 2007 saw the Trust receiving significant funding from these administered funds including those supported by Barclays, Toyota and the National Lottery's People's Millions Landfill tax funding increased over 2006 primarily through funding received to support the redevelopment of St Ann's Play Centre Offsetting these increases was an almost halving in funding received from central government where last year's funding included significant amounts towards the redevelopment of St Ann's Allotments from EMDA and the Single Regeneration Budget

Incoming resources from generating funds increased to £124,935 (2006 £108,592) on the back of a £14,452 increase in activities for generating funds where both rents received for letting office space and room hire revenues increased strongly

Total resources expended increased 13% on last year to £1,228,092 in 2007 (2006 £1,091,445)

Resources expended on charitable activities increased on 2006 by £133,868 to £1,142,795 in 2007 (2006 £1,008,927) Resources expended on children and young people increased to £285,880 (2006 £162,356) as a result of the detached youth work projects undertaken for Nottingham City Council and Broxtowe Borough Council Activity on safer, stronger and greener communities rose by 9% year-on-year this, though, was not reflected in expenditure which increased only 5% to £625,736 partially as a result of work and incidental costs remaining flat (2007 £453,210, 2006 £458,669) Expenditure on healthier communities fell by over a third to £106,242 in 2007 (2006 £189,700) primarily as a result of headcount engaged in this work falling by one (2007 3, 2006 2) which impacts the amount of non-direct costs allocated to this thematic area Economic development and enterprise expenditure more than doubled from £60,746 in 2006 to £124,937 in 2007 as a result of the Retail Right and Compliance Navigator projects which ran for the whole of 2007 compared to just five months in 2006

The costs of generating funds were almost flat year-on year (2007 £47,031, 2006 £46,858) although 2007 saw £4,882 expended on fundraising trading costs (2006 nil) These costs relate to work undertaken to generate additional income streams to support the Trust in delivering its purpose Primarily, these relate to providing some of the Trust's current charitable activities on a commercial basis to business customers

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FOR THE YEAR ENDED 31 MARCH 2007

Governance costs increased from £35,660 in 2006 to £38,266 in 2007 primarily a reflection of the higher level of professional fees incurred in 2007 (2007 £7,603, 2006 £4,000) Included in these professional fees are £4,000 relating to the 2007 audit fee and £3,575 for audit services provided in previous years

As a result of the unrestricted surplus of £62,551 unrestricted reserves increased to £189,896 at 31 March 2007 compared to £127,345 a year earlier

Voluntary Help and Donations in Kind

The Directors recognise the significant contribution made by Trustees, community groups and volunteers who give freely of their time The support from the community is essential in assisting Groundwork Greater Nottingham in the achievement of its objectives The financial statements do not incorporate a monetary value for these contributions however, as this is currently considered impractical to calculate

The Trust has also benefited from the support it has received from its local authority, agency and community partners

FINANCIAL MANAGEMENT POLICIES

Financial Health

Performance in 2006/2007 has impacted positively on the Trust's reserves which, in the context of the reserves policy which was in place at 31st March 2007, would have been regarded as sufficient However, the policy, that of allowing cover for three months of overhead costs, was reviewed by the Trust's Audit Committee in the closing months of the financial year with a view to ensuring that reserves are held at a level adequate to meet the requirements of a growing organisation, delivering increasingly major projects which involve higher levels of income and expenditure requiring the effective management of restricted and unrestricted cash A revised policy was presented to the May 2007 meeting of the Board which recommended the need to increase reserves significantly in order that the Trust can meet operational running costs, cashflow activity where funding secured is claimed retrospectively, and invest in necessary developmental and positioning activity The policy identifies the need to grow reserves to £365,000 by 2010 In that context, current reserves of £189,896 are significantly below those deemed necessary However, the Trust is confident that its current and future performance, framed through its Business Plan, will secure the revised level of reserves within the agreed time-frame

Investment Policy and Performance

The Trust does not yet have sufficient reserves to enable it to benefit from managed investments It does however utilise current and deposit accounts in order to generate small levels of interest on the funding which it holds

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

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FOR THE YEAR ENDED 31 MARCH 2007

PEOPLE

Training and Communications

Groundwork Greater Nottingham recognises the value of its people and is committed to the training, and career development of all employees. A formal Staff Appraisal Process provides internal and external opportunities to develop skills, supported by self-learning and mentoring. This links with the Trust's forward strategy, providing a critical tool for securing long-term objectives. The Trust is an 'Investor in People' with a robust appraisal and staff development system in place ensuring the appropriateness and timeliness of all training.

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

Groundwork Greater Nottingham has sound Human Resources policies and procedures, with particular attention paid to Health & Safety. The Trust supports equal opportunities and diversity. A policy of recruitment and promotion at all levels on the basis of aptitude and ability without discrimination is followed.

Health and Safety

The Trust Health and Safety 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 and Manual Handling Components. Additionally, all staff undergo basic first aid and fire-fighting training. The policy is reviewed regularly in order to ensure compliance with latest guidance.

Three Trust Directors, including the Executive Director, are responsible for Health and Safety, supported by the Facilities Manager who acts as the Trust Health and Safety coordinator. Both the Executive Director and the Facilities Manager have successfully completed the industry standard IOSH (Institution of Occupational Safety and Health) training course and are therefore fully aware of the obligations falling to the Trust, themselves and other officers of the organisation with regard to Health and Safety. During the course of 2006/7 the Health and Safety Directors and coordinator met formally on three occasions during which they

- Reviewed existing arrangements
- Formulated an action plan to facilitate further improvements
- Received reports on a range of items
- Framed a revised Health, Safety and Welfare Policy presented to the May 2007 Board for approval

A report advising the Board of Health and Safety Performance over the financial year was also presented to the May 2007 Board.

Equal Opportunities and Diversity

The Trust has both an approved Equal Opportunities Policy and an approved Managing Diversity Policy. Staff are expected not to discriminate on the grounds of race, gender, ethnicity, nationality, religious belief, disability, marital status, sexual orientation, responsibilities for dependants or unrelated criminal convictions. Induction training and

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FOR THE YEAR ENDED 31 MARCH 2007

supplementary consideration within the context of Trust meetings provides a vehicle for ensuring that diversity is valued by all staff. Diversity training forms a compulsory element of the Trust's induction programme, ensuring that all staff are appropriately informed and act accordingly. The Trust is committed to ensuring that both equal opportunity and diversity agendas are reflected in all of its activities.

Pensions

All employees enjoy the opportunity for joining the Nottinghamshire County Council Pension scheme. This scheme is a defined benefit scheme, its assets are held in a separately administered fund. The scheme currently offers a percentage of final salary pension, and represents a valuable component of the Trust's Terms and Conditions 'offer' to existing and prospective staff members. During 2007/2008 however, the Trust will review its continued engagement with a defined benefit pension scheme in order to establish the potential risks and benefits associated with the current arrangement.

FUTURE PLANS

Main annual objectives for next year are to -

- Continue the Trust's work to position itself for commissions to deliver work. This will build upon earlier activity which is beginning to yield results and increase confidence to help secure larger scale activity.
- Implement an enhanced project management system intended to increase the effectiveness of activity forecasting, management and monitoring.
- Investigate the possible development of 'other funding' possibilities which might include, for example trading-arm arrangements.
- Support other Trusts and charities by lobbying strongly for 'Full Cost Recovery' in deed as well as in word.
- Pursue sponsorship possibilities through the vehicle of the Board's Funding and External Support and Sponsorship sub-Committee.
- Increase the number of fee-earning staff by at least three over the life of the plan.
- Deliver the Business Plan surplus of £45,000.

These in turn will enable the Trust to deliver its objects, as defined in its memorandum and articles of association whose purpose is to enhance quality of life for people experiencing disadvantage and exclusion.

During the year, the Trust shall begin the process of including within its memorandum and articles a 'regeneration' object, in advance of a fuller consideration of further revisions as appropriate. That consideration shall be informed by a Board approved inclusive visioning process which will take place early in 2008/9. The Trust remains confident of its continued relevance with regard to the issues being faced by the people of Greater Nottingham. That confidence will be translated into a clear and agreed vision, which builds upon activity undertaken to date.

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The business plan envisages an increase in project income of some £400,000 over 2006/07 (£1 6m 07/08, £1 17m 06/07) with a similar increase in the following year. The imperative for the Trust remains the delivery of increasing levels of community beneficial impact whilst at the same time building reserves to appropriate and agreed levels as quickly as possible.

Partnerships

Groundwork Greater Nottingham will strive to participate effectively in the range of local and thematic partnerships serving its operational area. The challenge of delivering a coherent and quality interface, in a continually changing environment, with five local authorities, five local strategic partnerships, two Local Education Authorities, a sub regional strategic partnership, two Primary Care Trusts, the Regional Development Agency, two Local Area Agreement areas with four sets of groups and a commensurate range of thematic or geographic groupings cannot be underestimated and demands considerable resource requirements. However, the Trust places great value upon all of its partnerships and will continue to strengthen them for mutual and community benefit.

Programmes

Trust staff and growing number of volunteers will continue to deliver sustainable change within four inter-related activity themes:

- Children and Young People
- Safer, Stronger and Greener Communities
- Healthier Communities
- Economic Development and Enterprise

Groundwork Greater Nottingham will continue to position people and their local, and global, environments at the heart of what it does. Through genuine consultation, and partnership engagement, Groundwork Greater Nottingham will continue to bring together community 'wants' and 'needs' in order to deliver activity which is locally appropriate, responsive and, as far as is practicable, sustainable.

Performance

The performance of the Trust will be measured in terms of impact upon people as well as financial performance.

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REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2007

COMPOSITION OF THE BOARD (as at 31 March 2007)

Valerie Dwyer (Chair)
Keith Stanyard (Vice-Chair)
Geoffrey Bennett
Councillor Eunice Campbell
Councillor Seamus Creamer (replaced Cllr D Pulk who resigned in September 2006)
Councillor Wendy Golland
Susan Hallsworth
Louise Seymour
Carol Townend
Linda Walker
Councillor Christine Wombwell

COMPOSITION OF BOARD COMMITTEES (as at 31st March 2007)

Audit Committee

K Stanyard
C Townend
G Bennett

Funding, External Support and Sponsorship

V A Dwyer
Councillor D E Pulk (resigned September 2006)
S J Hallsworth

Appointments and Remuneration

Councillor W H Golland
L Seymour
L Walker

ADVISERS TO THE BOARD (as at 31 March 2007)

Executive Officers

Executive Director Z Szulc
Finance Manager P Shaw
Development Manager T Aitchison
Operations Manager J Booth
Company Secretary J Kerry

Solicitors

Browne Jacobson
44 Castle Gate
Nottingham NG1 6EA

Insurance Advisors

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

Bankers

National Westminster Bank
Nottingham Smiths Branch
Nottingham

Value Added Tax Advisers

County VAT Consultancy
Pippin Cottage
Broadlane
Bishampton
Worcestershire WR10 2LY

External Auditors

Blythens
Haydn House
309 – 329 Haydn Road
Sherwood
Nottingham NG5 1HG

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

REPORT OF THE DIRECTORS

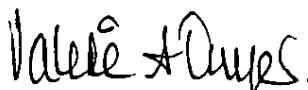
FOR THE YEAR ENDED 31 MARCH 2007

By order of the Board of Directors

I wish to express my thanks to my fellow Board Members for their support and significant contribution over the year. Collectively, on behalf of the Board, I send our thanks and appreciation to every member of our staff and volunteer team at Groundwork Greater Nottingham. They have been the key to achieving very sound results and a major positive impact in the communities we serve.

To our partners and stakeholders, who have had the confidence to explore new and innovative ways of working in partnership with us, and continue to benefit alongside their communities from our community-based approach to sustainable regeneration, which places people at the centre, we also send our thanks.

This report looks back upon a very good year for Groundwork Greater Nottingham. However, as we reflect upon the successes of 2006/2007 and prepare optimistically for the challenges of 2007/2008 and beyond we remain mindful of the need for the continued support of existing partners to enable us to 'make a difference' in Greater Nottingham. To them and to any new potential partners I offer our gratitude and a respectful plea for continued and additional support into the future. I would be keen to explore with you all opportunities for enhanced support. I am particularly keen to encourage further contributions, including legacies, from businesses and individuals, in order to support our work and enable the Trust to do even more.



Valarie Dwyer
Chair of the Board of Directors
GROUNDWORK GREATER NOTTINGHAM
11 July 2007

REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF THE
GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

We have audited the financial statements of Greater Nottingham Groundwork Trust Limited for the year ended 31 March 2007 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

This report is made solely to the company's members as a body, in accordance with Section 235 of the Companies Act 1985. 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 an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the Directors' Report, the directors (who are also the trustees of Greater Nottingham Groundwork Trust Limited) are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatement within it.

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF THE
GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

OPINION

In our opinion the financial statements

- give a true and fair view of the state of affairs of the company at 31 March 2007 and of the incoming resources and application of resources, including its income and expenditure, for the year then ended, and
- have been properly prepared in accordance with the Companies Act 1985
- the information given in the Report of the Directors is consistent with the financial statements



BLYTHENS
Registered Auditor
Chartered Accountants

Haydn House
309-329 Haydn Road
Sherwood
Nottingham
NG5 1HG

11 July 2007

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING SUMMARY INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2007

	<u>Note</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total 2007</u> £	<u>Total 2006</u> £
<u>Incoming resources from generated funds</u>					
Voluntary income	2	72,003	-	72,003	72,097
Activities for generating funds	3	44,690	-	44,690	30,238
Investment Income	4	8,242	-	8,242	6,257
<u>INCOMING RESOURCES FROM GENERATED FUNDS</u>					
		124,935	-	124,935	108,592
<u>Incoming resources from charitable activities</u>					
Children and young people		27,000	242,833	269,833	153,653
Safer, stronger and greener communities		12,000	633,009	645,009	622,999
Healthier communities		12,000	99,785	111,785	130,243
Economic development and enterprise		4,000	135,081	139,081	77,037
<u>INCOMING RESOURCES FROM CHARITABLE ACTIVITIES</u>					
	5	55,000	1,110,708	1,165,708	983,932
<u>INCOMING RESOURCES</u>					
		179,935	1,110,708	1,290,643	1,092,524
Less costs of generating funds	6	(47,031)	-	(47,031)	(46,858)
Governance costs		(38,266)	-	(38,266)	(35,660)
<u>NET INCOMING RESOURCES AVAILABLE FOR CHARITABLE APPLICATION</u>					
		94,638	1,110,708	1,205,346	1,010,006
<u>Resources expended on charitable activities</u>					
Children and young people		8,199	277,681	285,880	162,356
Safer, stronger and greener communities		5,618	620,118	625,736	596,125
Healthier communities		2,278	103,964	106,242	189,700
Economic development and enterprise		2,036	122,901	124,937	60,746
<u>RESOURCES EXPENDED ON CHARITABLE ACTIVITIES</u>					
		18,131	1,124,664	1,142,795	1,008,927
Net incoming resources before transfers	7	76,507	(13,956)	62,551	1,079

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING SUMMARY INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2007

	<u>Note</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total 2007</u> £	<u>Total 2006</u> £
Net incoming resources before transfers	7	76,507	(13,956)	62,551	1,079
Comprises of					
Total incoming resources		179,935	1,110,708	1,290,643	1,092,524
Total resources expended	8	(103,428)	(1,124,664)	(1,228,092)	(1,091,445)
Net incoming resources before transfers		76,507	(13,956)	62,551	1,079
Transfers between funds		(13,956)	13,956	-	-
NET MOVEMENT IN FUNDS		62,551	-	62,551	1,079
Fund balances brought forward at 1 April 2006		127,345	-	127,345	126,266
Fund balances carried forward at 1 April 2007		189,896	-	189,896	127,345

All of the above results are derived from continuing activities, All gains and losses recognised in the year are included above Note 12 details changes in resources applied for fixed assets for charity use


GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

BALANCE SHEET AS AT 31 MARCH 2007

	<u>Note</u>	£	<u>2007</u> £	£	<u>2006</u> £
<u>FIXED ASSETS</u>					
Tangible Assets	12		28,581		21,697
<u>CURRENT ASSETS</u>					
Debtors	13	393,488		306,516	
Cash at Bank and in Hand		356,002		259,823	
			<hr/>	<hr/>	
		749,490		566,339	
<u>CREDITORS</u> Amounts falling due within one year					
	14	588,175		460,691	
			<hr/>	<hr/>	
<u>NET CURRENT ASSETS</u>			161,315		105,648
			<hr/>		<hr/>
<u>NET ASSETS</u>	16		189,896		127,345
			<hr/>		<hr/>
<u>FUNDS</u>					
Unrestricted Funds			189,896		127,345
Restricted Funds			-		-
			<hr/>		<hr/>
<u>TOTAL FUNDS</u>	18		189,896		127,345
			<hr/>		<hr/>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements were approved by the Board on 11 July 2007 and signed on its behalf by


V A Dwyer
Director

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2007

1 ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Financial Reporting Standards for Smaller Entities (effective January 2005), the Companies Act 1985, the Statement of Recommended Practice (SORP 2005) - Accounting and Reporting by Charities, and applicable accounting standards in the United Kingdom.

Format of Accounts

Greater Nottingham Groundwork Trust Limited is a company limited by guarantee. The guarantors are the Groundwork Foundation. The liability in respect of the guarantee, as set out in the memorandum, is limited to £1 per member of the company. The Trust has availed itself of Paragraph 3(3) of Schedule 4 of the Companies Act 1985 and adapted the Companies Act formats to reflect the special nature of the company's activities. As permitted by Section 226A(4) and (5) of the Companies Act, information additional to that required by Schedule 4 of the Act has been shown in the financial statements to provide a true and fair view of the results for the year.

Fund Accounting

General Funds are available for use at the discretion of the directors in furtherance of the general objective of the Trust.

Restricted funds are funds subject to specific restrictive conditions imposed by funders or by the purpose of the grant. Any surplus made on restricted projects is available to transfer to unrestricted funds.

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

Resources Arising

Income

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

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

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

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2007

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

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

Gifts in Kind

Gifts in kind are not valued in the financial statements

Resources Expended

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

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

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

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

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

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2007

1 ACCOUNTING POLICIES *continued*

Government Grants

Grants that relate to specific capital expenditure are treated as deferred income and released to the credit of the income and expenditure account over the related asset's useful life

Depreciation

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

Computer Equipment	33 3%
Fixtures and Fittings	20%

Leasing Commitments

Operating lease rentals are charged to the profit and loss account

Pensions

The company participates in a multi employer pension scheme, the Nottinghamshire County Council Pension Defined Benefits Scheme, for its employees. The pension liability is therefore the responsibility of the Council. As a result it is not possible to identify the assets and liabilities of the scheme that are attributable to this company. Accordingly, under Financial Reporting Standard 17 the scheme is accounted for as if it were a defined contributions scheme. Contributions are charged against profits as they are paid.

2 VOLUNTARY INCOME

Voluntary income can be analysed as being received from the following sources -

	<u>2007</u>	<u>2006</u>
	£	£
Grants for core funding	15,250	15,250
Other grants	56,753	56,847
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	72,003	72,097
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GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2007

3 ACTIVITIES FOR GENERATING FUNDS

Activities for generating funds can be analysed as being received from the following sources -

	<u>2007</u>	<u>2006</u>
	£	£
Rental income	19,000	4,029
Other	25,690	26,209
	<hr/>	<hr/>
	44,690	30,238
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4 INVESTMENT INCOME

Investment income can be analysed as being received from the following sources -

	<u>2007</u>	<u>2006</u>
	£	£
Interest received	8,242	6,257
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	8,242	6,257
	<hr/>	<hr/>

5 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

Incoming resources from charitable activities can be analysed as being received from the following sources -

	<u>2007</u>	<u>2006</u>
	£	£
Central Government	242,674	460,183
Local Government	392,349	242,451
European Community	24,776	1,345
Primary Care Trusts	46,404	46,398
Heritage Lottery Fund	31,072	23,024
Other National Lottery	17,608	17,096
Other Public Sector	27,500	43,305
Voluntary Sector	135,027	36,185
Private Sector	156,628	88,646
Landfill Tax	67,548	573
Other income	24,122	24,726
	<hr/>	<hr/>
	1,165,708	983,932
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GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2007

6 COSTS OF GENERATING FUNDS

Costs of generating funds can be analysed into the following activities -

	<u>2007</u>	<u>2006</u>
	£	£
Generating voluntary income	42,149	46,858
Fundraising trading costs	4,882	-
	<hr/>	<hr/>
	47,031	46,858
	<hr/>	<hr/>

7 NET RESOURCES EXPENDED BEFORE TRANSFERS

	<u>2007</u>	<u>2006</u>
	£	£
Net outgoing resources before transfers is after charging		
Depreciation of owned assets	11,178	8,109
Release of capital grants	-	-
Auditors' remuneration	4,000	4,000
Operating lease payments - Leasehold property	25,813	25,813
Directors' remuneration	-	-
Directors' expenses	1,641	736
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GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2007

8 TOTAL RESOURCES EXPENDED

	Costs of Generating Funds £	Fund- raising Trade £	Children & Young People £	Safer, Stronger & Greener Communities £	Healthier Communities £	Economic Develop- ment & Enterprise £	Support Costs £	Govern- ance £	Total 2007 £	Total 2006 £
Costs directly allocated to activities										
Salaries	28,414	307	143,882	105,742	41,711	36,014	124,354	18,905	499,329	384,054
Works and incidental costs	-	-	43,699	453,210	37,230	64,679	-	-	598,818	617,160
Travel and motor expenses	141	1	467	295	135	110	1,427	511	3,087	2,808
Recruitment	-	12	5,390	3,411	1,560	1,267	92	-	11,732	2,106
Training	27	2	882	558	255	207	998	1,130	4,059	4,529
Professional Fees	-	-	-	-	-	-	-	7,603	7,603	4,500
Bad Debts Written Off / (Written Back)	-	-	300	-	-	-	-	-	300	(2,437)
Bad Debts Provided For / (Written Back)	-	-	-	-	-	-	-	-	-	(13,516)
Other direct costs	1,765	4,560	218	138	63	51	700	-	7,495	607
Other costs allocated to activities										
Office costs	1,905	-	14,704	10,075	4,084	3,652	10,745	1,635	46,800	43,892
Insurance	732	-	5,647	3,869	1,568	1,402	4,128	627	17,973	15,264
Depreciation	455	-	3,512	2,406	976	872	2,567	390	11,178	8,109
Printing, postage and stationery	168	-	1,289	883	358	320	941	143	4,102	5,257
Bank charges	2	-	12	8	3	3	10	1	39	40
Equipment rental	34	-	261	179	72	65	189	29	829	880
Sundry expenses	601	-	4,632	3,176	1,287	1,151	3,386	515	14,748	18,192
	34,244	4,882	224,895	583,950	89,302	109,793	149,537	31,489	1,228,092	1,091,445
Allocation of support costs	7,905	-	60,985	41,786	16,940	15,144	(149,537)	6,777	-	-
	42,149	4,882	285,880	625,736	106,242	124,937	-	38,266	1,228,092	1,091,445
Other costs allocated to activities are allocated on the basis of average headcount										

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2007

9 EMPLOYMENT COSTS

	<u>2007</u>	<u>2006</u>
	£	£
Salaries	429,919	316,584
Social Security costs	32,329	25,759
Pension costs	36,715	33,336
Temporary staff costs	366	8,375
	<hr/>	<hr/>
	499,329	384,054
	<hr/>	<hr/>

There are no high paid staff

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

	<u>2007</u>	<u>2006</u>
Children and young people	5	2
Safer, stronger and better communities	4	3
Healthier communities	2	3
Economic development and enterprise	1	1
Generating funds	1	1
Fundraising trading	-	-
Support and governance	4	4
	<hr/>	<hr/>
	17	14
	<hr/>	<hr/>

Employees of the company are eligible for membership of the Nottinghamshire County Council Pension Scheme. The scheme is a defined benefit scheme, its assets are held in a separately administered fund. Contributions are made by employees at the rate of 6% of salary. Employers contributions are made at the rate of 11.6% of salary (2006 11.6%). At 31 March 2007 £4,828 (2006 £5,282) was outstanding in relation to these transactions and the Income and Expenditure charge for the year was £36,715 (2006 £33,336).

10 DIRECTORS' REMUNERATION AND EXPENSES

The directors were not remunerated for any services in the year (2006 £Nil)

During the year three directors were reimbursed a total of £511 for travel costs (2006 four directors were reimbursed a total of £461 for travel costs). Additionally, training was provided for ten directors at a cost of £1,130 (2006 one director at a cost of £275).

11 TAXATION

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

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2007

12 FIXED ASSETS

	<u>Computer equipment</u> £	<u>Office fixtures and fittings</u> £	<u>Total</u> £
<u>COST</u>			
At 1 April 2006	34,831	27,367	62,198
Additions	9,366	8,696	18,062
Disposals	(7,555)	(2,568)	(10,123)
	<hr/>		
At 31 March 2007	36,642	33,495	70,137
	<hr/>		
<u>DEPRECIATION</u>			
At 1 April 2006	26,159	14,342	40,501
Charge for the year	6,714	4,464	11,178
Elimination on disposal	(7,555)	(2,568)	(10,123)
	<hr/>		
At 31 March 2007	25,318	16,238	41,556
	<hr/>		
<u>NET BOOK VALUE</u>			
At 31 March 2007	11,324	17,257	28,581
	<hr/>		
At 1 April 2006	8,672	13,025	21,697
	<hr/>		

All fixed assets are used for direct charitable purposes

At 31 March 2007 the company had capital commitments which were authorised and contracted for amounting to £6,750 (2006 £Nil)

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2007

13 DEBTORS

	<u>2007</u>	<u>2006</u>
	£	£
Other debtors and prepayments	341,386	304,388
Accrued income	52,102	2,128
	<u>393,488</u>	<u>306,516</u>

14 CREDITORS Amounts falling due within one year

	<u>2007</u>	<u>2006</u>
	£	£
Other creditors	185,895	114,832
Other tax and social security	67,255	35,456
Accruals and deferred income	335,025	310,403
	<u>588,175</u>	<u>460,691</u>

15 OBLIGATIONS UNDER OPERATING LEASES

At 31 March 2007 the company had annual commitments under operating leases as follows -

	<u>2007</u>	<u>2006</u>
	£	£
Expiring between 2 and 5 years	29,500	29,500
	<u>29,500</u>	<u>29,500</u>

The above amount relates to a seven year lease for a single property which the Trust entered into in October 2004. Under this agreement the Trust can cancel the lease in April 2008.

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2007

16 ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

	Restricted Funds	Unrestricted Funds	Total 2007	Total 2006
	£	£	£	£
Tangible Assets	-	28,581	28,581	21,697
Current Assets				
excluding bank and cash in hand	109,872	283,616	393,488	306,516
Cash at bank and in hand	183,209	172,793	356,002	259,823
Creditors amounts				
falling due within one year	(293,081)	(295,094)	(588,175)	(460,691)
	-	189,896	189,896	127,345

17 SHARE CAPITAL

The company is limited by guarantee with no share capital. The equity in the company is owned by the members each of whom has undertaken to contribute such amount not exceeding £1 as may be required under certain circumstances. At 31 March 2007 there were 5 members (2006: 5).

18 ANALYSIS OF MOVEMENT OF FUNDS

	Balance 1 4 2006	Net resources (expended)	Transfers between funds	Balance 31 3 2007
	£	£	£	£
Restricted funds	-	(13,956)	13,956	-
Unrestricted funds	127,345	76,507	(13,956)	189,896
	127,345	62,551	-	189,896

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

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2007

19 INDIVIDUAL GRANTS DISCLOSURE

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

Big Lottery Grants

	Cash Held at 1 April <u>2006</u> £	Cash <u>Received</u> £	Cash <u>Expended</u> £	Cash Held at 31 March <u>2007</u> £
Grants from the Community Fund				
Windmill Community Gardens	649	24,265	(17,608)	7,306
	<u>649</u>	<u>24,265</u>	<u>(17,608)</u>	<u>7,306</u>
Grants from the Heritage Lottery Fund				
Deaf Project	8,393	-	(8,902)	(509)
Heritage Of Play In Nottingham	6,383	-	(12,407)	(6,024)
Getting A Taste Of History	-	24,500	(9,763)	14,737
	<u>14,776</u>	<u>24,500</u>	<u>(31,072)</u>	<u>8,204</u>