

Registered number: 02556957
Charity number: 1003426

GROUNDWORK FIVE COUNTIES
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

GROUNDWORK FIVE COUNTIES
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2024

Trustees	Mr A Court Councillor J Creamer Mr K Daniell Mr D Ibell Ms E Idoine (resigned 6 February 2024) Ms M J Madin Ms H Skinner Mr G Wright (appointed 24 July 2023) Ms S Bull (resigned 31 May 2023) Mr R Fernandes (resigned 31 July 2023) Mr G James (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 2024

The chairman presents their statement for the year.

Over the last year we have continued to pursue our Strategy of People, Place and Planet. We are passionate about creating a future where every neighbourhood is vibrant and green, every community is strong and able to shape its own destiny, and no-one is held back by their background or circumstances. Our strategy defines our high-level purpose – together we can support more people to flourish, enjoy and care for the places around them, whilst being better guardians of our planet.

2023/2024 was a significant period of change for us. We started the year with our March 2023 restructure being put into place, due to some major programmes ending at the end of 2022/2023. This saw a renewed Senior Management Team and Operational Management Team being formed, with Heads of Service for each of our new Strategic Objectives. The revised staffing structure was built on an agreed Behavioural Framework, with connection and collaboration across the team at its heart, designed to rebuild morale across our wonderful staff team. With a focus on increased public profile and partnership, we also created a new Area Partnership team, to embed and connect us in the communities we are based within, and build partnerships as we moved into new areas of our expanded geography.

As our significant Building Better Opportunities (BBO) and Community Renewal Fund programmes ended, we focused on retraining delivery staff to enable us to retain our skilled and experienced staff team and move to our new Community Coach model – a holistic approach to supporting individuals on a range of services, personal needs and barriers.

Our rebrand of Groundwork Five Counties went live in July and we brought in a Marketing Manager to join our Operational Management Team in August, with a clear remit to increase and maximise our visibility and credibility. This has had a huge impact through her work on improved and consistent branding and messaging, communications, social media and website work (in line with Groundwork UK's agreed illustrations and icons). Demonstrating our value and impact and sharing the changes we make to individuals' lives continues to be a key focus.

With our new structure in place, we saw huge growth and success in some areas of our work. Our Green Doctor service most notably grew from one Green Doctor to a team of eleven. Along with increased team size, our product range also grew, with us trialling our Damp and Disrepair offer in Bassetlaw and Staffordshire, and moving into new technologies to further sustain this growing area of work. We also expanded into Derbyshire and Leicestershire, and carried out localised contracts for Amber Valley, Rushcliffe and Broxtowe Borough Councils, funded through the UK Shared Prosperity Fund.

The Communities Team, along with their usual programmes of work also began a localised BBO follow-on programme of support, Beyond Barriers, in South Derbyshire and moved into a new area of work supporting Hong Kong BNO's to settle and integrate into the UK.

The Environment Team moved into our green hub development work during the year, with The Little Walled Garden on short term lease from Nottingham City Council and Cheapside Community allotment in Worksop being agreed for a longer 25-year lease from Bassetlaw District Council. These sites encompass our longer-term green community hub development ambitions, where we can showcase how people and place come together to enable individuals and their local communities to flourish. We are excited to see these develop over the coming years.

Our development focus, led by our new Head of Development, enabled the above growth areas whilst also increasing our commercial leads and corporate partnerships and volunteering. We saw some new relationships and developments being fostered and a significantly increased level of collaboration with Groundwork UK. Our Development Sub Committee was also created, led by our Deputy Chair and with a focus on diversifying income sources, tracking the pipeline of opportunities and developing new priority areas of work.

Despite many successes, we were faced with significant change and challenge throughout the year. Our transition year saw us move away from two major funders which represented 88% of our annual income. We also lost the delivery of our Area Based Grants due to Nottingham City Council's financial position, had to close down our much-loved SMILE befriending project and the funding for future VCS support in Nottingham is unknown.

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CHAIR'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Keith Daniell stood down as Chair on 29th November but stayed on as a valued Board member. Margot Madin took up this role as his replacement.

We had considerable changes in our leadership, with our Chief Executive Officer, Emma Atkins, moving on in August 2023, and the Interim Chief Executive Officer Gareth James also leaving us in February 2024. Our long-standing HR, Governance and Finance lead and Head of Operations, Jo Kerry, also retired at the end of December 2023.

A restructure was launched on 15 March 2024 with the Groundwork Five Counties staff team setting out a range of proposed changes, designed to:

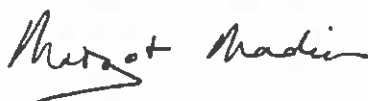
- streamline the Senior Management team to a level commensurate with the size of the organisation,
- remove the dedicated Development function and replace the Operations Team with a smaller Support Services team, again in line with the size of the organisation,
- reduce the cost and maximise the effectiveness of the Communities and Environment delivery teams to improve financial viability.

A clear strategic business plan following restructure, allowing for recovery and growth, is now in place and progressing well. Our new Executive Director, Penny Halewood, is in post and with support from our national Federation Groundwork UK, along with a sound financial plan, we are positioned for a successful 2024/2025. We will build on our areas of growth during 2023/24 for certain work streams. Our focus is to stabilise the organisation and rebuild reserves, following the difficult financial picture at the end of 2023/2024, giving security for our own staff team and for the beneficiaries whom we support.

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. With a new government and the East Midlands Combined County Authority in place, both closely aligned to our work, many new opportunities are possible. We will continue to diversify our income streams and increase our sustainability through commercial and corporate opportunities.

The support from Groundwork UK over the last year has been instrumental in our recovery plans. We look forward to a continued positive working relationship with them through our strategic work, emerging new opportunities through the Federation network, and through continuation of our core product funding.

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



Ms M J Madin
Chair

Date: 20 November 2024

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their annual report together with the audited financial statements of the Charity for the 1 April 2023 to 31 March 2024. 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.

The focus this year was the implementation of our new strategy, business plan, and growth to truly cover our five counties around our core strategic areas of People, Place and Planet. We continued to work with the following vision, mission and objectives whilst we put into place a new organisational structure agreed at the end of March 2023.

Objectives and activities

a. Vision and Objects

Groundwork Five Counties has a vision whereby together we can support more people to flourish, enjoy and care for the places around them, whilst being better guardians of our planet.

Mission

To empower local communities to live their lives more sustainably.

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, by special resolution on 22nd June 2016 and by special resolution on 17th October 2022), 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 2024

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.

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 2023-24

The 2023/2024 year marked a period of significant transition for our organisation. At the outset, we launched a newly restructured Senior Management Team and Operational Management Team, along with a refreshed strategy centred on three clear Strategic Objectives. With dedicated Heads of Communities, Environment, Development and Operations, we successfully redefined our vision and approach.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

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	<p>How will we do it:</p> <ul style="list-style-type: none"> ✓ 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. 	<p>How will we do it:</p> <ul style="list-style-type: none"> ✓ 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. 	<p>How will we do it</p> <ul style="list-style-type: none"> ✓ 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. Inking 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.

Throughout the year, our focus was on establishing our new identity, securing new contracts, and expanding our operations to address the funding gaps left by major programmes that concluded in March 2023. By enhancing our external outreach and fostering new partnerships, we effectively broadened our core offerings and introduced innovative services in new areas of operation.

We also introduced a new Area Partnership team to enhance our public profile and strengthen our community engagement. This team was instrumental in embedding us within the communities we serve and establishing partnerships as we extended our geographical reach.

Programmatic changes and achievements

With the conclusion of our Building Better Opportunities (BBO) and Community Renewal Fund programmes, we shifted focus to retrain our delivery staff and implement our new Community Coach model. This model offers a holistic approach to addressing a range of personal needs and barriers faced by individuals.

Our rebranding efforts for Groundwork Five Counties launched successfully in July 2023, accompanied by the addition of a Marketing Manager in August 2023. This role has been pivotal in enhancing our visibility and credibility through improved branding, consistent messaging, and effective communication strategies.

Over the past year, our team has driven several key outcomes that have significantly advanced our organisation's goals:

- **Talent Retention:** We successfully retained key talent within the organisation, contributing to our long-term sustainability and effectiveness.
- **Standardised Service Delivery:** We successfully implemented a new team structure and retrained all delivery staff, ensuring a consistent and high-quality service across all programmes of work.
- **Service Innovation:** Through reflection and review of our delivery, we identified and developed new services that better meet the needs of our beneficiaries. We also evolved new commercial products which will contribute towards our reduced reliance on funding.
- **Strengthened Partnerships:** Our relationship with Groundwork UK has deepened, providing invaluable support, and opening new opportunities for income generation and collaboration.
- **Increased Local Engagement:** We strengthened our local profile through strategic events, networking, and

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

relationship management, leading to greater community involvement and support.

- **Enhanced Team Dynamics:** With our new structure, we embedded our Behaviours Framework into every-day practice, fostering a positive and collaborative work environment.
- **Governance Improvement:** We acted on the recommendations from our governance review, enhancing our organisational oversight and decision-making processes.
- **Policy Modernisation:** We updated policies to be more user-friendly and relevant, ensuring they better meet the needs of both staff and beneficiaries.
- **Enhanced Fundraising Planning:** We improved our pipeline monitoring and reporting tools, which have enabled us to better plan and diversify our fundraising efforts, thereby reducing financial risk.
- **Bid Writing Capability:** Our bid writing capabilities were significantly expanded through targeted upskilling of our development team and managers, increasing our success rate in securing funding.
- **Optimised Funding Assessment:** Our Research and Fundraising Lead transitioned to a triage role, enhancing our ability to assess and prioritise funding opportunities based on potential success before engaging in bid writing.
- **Rebranding:** We launched a new name and brand after extensive consultation, which more accurately represents our expanded reach across the East Midlands.
- **Website Development:** We successfully developed and launched a new website, improving our online presence and accessibility for stakeholders.
- **Risk Management:** We updated our risk register, which is now regularly reviewed at the board and executive levels to ensure we stay on track and effectively manage potential challenges.

Despite a great many successes and growth within the year, we faced some challenges. Towards the end of the financial year, in response to the projected loss facing our organisation, the trustees took decisive action by reaching out to Groundwork UK for support, leveraging their network of experts to help us navigate this challenging situation.

On 15 March 2024, we launched a restructure within the Groundwork Five Counties staff team, implementing a series of proposed changes aimed at:

- Streamlining the Senior Management team to better align with the organisation's size.
- Dissolving the Development team and replacing the Operations Team with a more compact Support Services team, reflective of the organisation's scale.
- Reducing costs and maximizing the effectiveness of the Communities and Environment delivery teams to enhance financial viability.

We are now well into our recovery, post restructure, which is detailed in our 2024/2025 plans below.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

b. Ensuring operational excellence

Operations and Governance

- Regular SMT meetings continued along with newly established quarterly Operational Management Team meetings, to ensure strategy and delivery were aligned and new teams were on track.
- Increased Board level representation at the Federation Board following the appointment of Margot Madin.
- Implementation of the governance review including the departure of some long-serving Trustees and onboarding of Ed Wright.
- Continuation of Policy review framework to ensure that we have policies that are fit for purpose, reviewed, and updated regularly in terms of organisational need and legislative requirements.
- Increased level of impact data collected to capture results of our hard work, and the impact on people, place, and planet.
- Emma Atkins, Chief Executive Officer, left us in August 2023 and, following a handover period, Gareth James was appointed as Interim Chief Executive Officer to replace her.
- Risk Register reviewed and updated and included as a standing agenda item of each board meeting.
- Appointment of Margot Madin as Chair in November 2023, following on from Keith Daniell stepping down.
- Head of Operations and long-standing HR, Governance & Finance Lead, Jo Kerry, retired in December 2023 on completion of an extended and comprehensive handover to the Operations Team and new Head of Operations, Adam West.
- With the departure of our Interim CEO, Gareth James, in February 2024, our remaining SMT stepped up to jointly run the organisation, under the instruction of the Board of Trustees.

People

- Implemented the new structure from April 2023 and supported the creation and transition of the 25 new roles created and 12 roles remaining with some minor changes. This included the transition of delivery staff from expired contracts to exciting new delivery roles within the Five Counties.
- We also introduced and onboarded new post holders to the new senior roles - Head of Communities and Impact, Head of Development, and Head of Operations, to add to the existing Head of Environment role.
- Increased development and partnerships roles within the structure to drive collaborative approach to fundraising and income generation.
- Quarterly Team Days continued to enable new teams and colleagues to get to know each other, understand new roles and continue to collectively develop of our new mission, vision, and strategy.
- Fortnightly sharing sessions for all staff continued, to enable updates, training, and informal sharing across the organisation.
- Updated and improved our recruitment and onboarding process, resulting in increased interest and competition for vacancies to work for Groundwork Five Counties.
- Modernised performance management practises to underpin our people's Behaviours Framework.
- Enhanced marketing and communications through staff training on standardised branding, social media engagement, sharing successes, and the creation of a volunteer newsletter.

Finance

- Annual audit to March 2023 took place in August 2023. The audit went well, and the audited accounts were approved at the November AGM.
- Charity Commission and Companies House returns both completed within the required timescales.
- Bedded in new finance workflows with accountants UHY, our newly appointed finance advisor, William Howarth, and new bookkeeper role.
- Finalised streamlining and modernisation of banking arrangements and accounting processes.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

c. Enabling local people

Towards Work – Building Better Opportunities

- Closing down and final reporting for this significant programme.
- Financial reconciliation with all external delivery partners and The National Lottery Community Fund.
- Core staff team carried out archiving and office closure in the first quarter of this year – a huge undertaking.
- Retained most of the outgoing BBO staff as part of the restructure, to keep talent and momentum for the new strategy.

Green Doctor

- Huge expansion of the team, growing from one Green Doctor to a team of eleven following upskilling of wider Coach team.
- Expanded product range:
 - Trialled Damp and Disrepair offer in Bassetlaw and Staffordshire.
 - Integrated new technologies to enhance service sustainability.
- Geographic expansion:
 - Entered markets in Derbyshire and Leicestershire.
 - Undertook localised contracts for Amber Valley, Rushcliffe, and Broxtowe Borough Councils.
- Funding from a range of new and established sources:
 - Cadent extension of new 3-year programme, through Groundwork UK, commencing January 2024.
 - Continued Redress funding through Groundwork UK and our own successful application for area expansion to Derbyshire and Leicestershire.
 - National Grid and National Grid Energy Affordability funding.
 - UK Shared Prosperity Fund additional funding in Amber Valley, Broxtowe, and Rushcliffe.
 - British Gas new national funding via Groundwork UK.
 - National Lottery Cost of Living Fund.
- Efficiencies introduced to increase productivity resulting in record level results.
- 220 home visits carried out with an estimated saving of £41,187 on household energy bills as a result.

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 225 people to not feel socially isolated by recruiting and training 18 volunteer befrienders across Nottingham City.
- 84 people supported to attend community-based activities, lunch clubs etc,
- 167 participating in sport and physical activity.
- Sadly, this project ended at the end of this financial year, due to lack of funding. We hope to reinstate this project in the future.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

New Programmes of Work

Beyond Barriers – South Derbyshire

- Set up new holistic employability programme, supporting individuals with work readiness, as a localised follow on to Towards Work.
- Recruited dedicated Community Coach to work from within the local community.
- Actively working with 21 economically inactive participants, and supported 4 people into employment, through weekly face to face meetings.
- Supported people to access training, debt advice, mental health and housing support to remove barriers.

Hong Kong British Nationals Overseas support programme

- Set up new stream of work to support BNOs settle and integrate into the UK
- New partnerships set up with this community and created a successful project running September 2023 – March 2024.
- Results included 129 people developing language skills for socialising and/or employment, 104 people accessing employment skills and employment, 44 accessing education and 19 accessing mental health support.
- 247 people were supported with integration into their local community.
- We hope to continue to support this community in future years.

Grant Management Services/Programmes

Tesco Community Grants (delivered via the Environment team currently)

- Supported over 408 grant applications for 34 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 2023/2024, 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.
- Supported partners to develop their own direct offers with the closing of this funding at the end of March 2023. No further funds or programme of delivery available through Nottingham City.

Save Our Wild Isles

- Bid enabler role for the SOWI Community Fund from Aviva, in partnership with WWF and RSPB.
- Worked as part of a Groundwork UK wide grant support initiative to aid local communities with their applications, to take action for nature in their local areas.
- Worked with 248 individuals through 15 promotional events, 43 networking events, and resulting in 58 engagement opportunities.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

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.
- Supported local delivery partners with their localised offers as due to funding cuts, we have exited from our co-ordination role for next financial year.

Playzone Project Management Contract

- PlayZone project management contract completed.
- 3 potential locations progressing to full sites across Nottingham city with stronger applications.

d. Rejuvenating local green places

Conservation management & community engagement

Derbyshire County Council SLA delivered successfully

- 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.
- 337.25 volunteer days delivered.
- Equivalent to £29,199.

Amber Valley Borough Council SLA delivered successfully

- 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.
- 212,445m² land maintained and improved for biodiversity and access, with volunteers - the equivalent of 18 Trafalgar Squares!
- Autumn Footprints Walking Festival – 2 weeks of guided walks organised and promoted.

Matlock Town Council SLA delivered successfully

- 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.
- 40,200m² land maintained and improved for biodiversity and access, with volunteers. The equivalent of 1005 bowling greens!

Heanor and Loscoe Town Council SLA delivered successfully

- Red River Local Nature Reserve managed and maintained with the Friends Group.
- Improving biodiversity and habitats, carrying out species recordings and maintaining access.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

National Forest SLA delivered successfully

- 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.
- Forest work sessions with volunteers, facilitation of woodland group training and support.

SEGRO – Green Skills Employment programme

- Successfully delivered, with 10 people upskilled and trained.
- Completion of boardwalk and vegetation maintenance at Nature Reserve in National Forest.

Bolsover Beyond Barriers – Green Skills Employment Programme

- Cohort 1 delivered, with 4 people upskilled and trained to Level 2 Brush-cutters and trimmers.
- Delivery of habitat management including woodland coppicing to Archaeological Way within Brook Park.

Brook Park

- Community Engagement Events and conservation sessions successfully delivered.
- Local walks, talks, children's sessions and family events.

Being active outdoors

Wellies in the Woods and Get into Nature

- Programmes delivered successfully.
- 87 adults and children feeling more connected to nature.
- 87 people felt improvements to their mental health and wellbeing.
- 24 adults feel more connected to their community.
- 59 people have made new friendships and friendship groups.

CEMEX Education Programme

- 2 schools engaged in education sessions about limestone quarries in operation, restoration of quarries and environmental issues.

Landscape design

- Co-op Bretby Crematorium Sustainable Space design and implementation of capital works successfully completed.
- Co-op Dudley Sustainable Space design and implementation of capital works successfully completed.
- Nottingham City Council's Tree & Woodland Strategy, initial survey complete: 1400 responses. Community Workshops completed. Report completed.
- Belper Community Orchard sketch scheme completed. Consultation phase with Town Council completed.
- Playzone consultation completed: data collated, analysed and report produced.
- Selston Country Park design and implementation of capital works completed.
- Coxmoor Estate Feasibility Study completed.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

e. Business development

Damp and Disrepair

- Commenced working with Bassetlaw District Council to deliver 300 Damp and Disrepair reports.
- Created the foundation to make a wider offer to other district and borough councils with housing stock.
- Ashfield and Mansfield have both shown a level of interest.

Other complementary products in development

- Begun to negotiate complementary Damp and Disrepair offers to identify proactive approaches to other areas of housing stock where our service could be of value.
- A draft proposal under development, to concentrate our efforts on new residents taking up properties – this we hope will combat the homes already in a state of mould and disrepair and concentrate more on:
 - the education of how best to look after a property;
 - keep energy efficiencies maximised for cost benefits;
 - less fuels used to support environmental issues;
 - better kept housing for health and wellbeing.

Cheapside allotments

- Successful in leasing, long term, two allotment plots in Cheapside to create a community hub.
- More opportunity to attract different funds, grow a local area and potentially move to managing the whole site in time for the local council.
- UKSPF bid successful to start the consultation and 3-day events for the community hub.

VCSE Energy Efficiency Scheme

- Worked with and developed pathways to be able to deliver DCMS programme in collaboration with our wider Groundwork Federation colleagues, for further training and certification support.

Water Literacy

- Worked along Groundwork East to be part of the supply chain for the evolving Water Literacy training programme.

Corporate funding

- Received donations from Enterprise towards the purchase of equipment to support low-income families.

Corporate volunteering

- British Gas Zero corporate volunteering day.
- Enthusiasm and success of the day has led to closer working relationship with Groundwork UK and the corporate volunteering team.
- Sharing of good practice, paperwork, and opportunities to grow this area of the business.

Development Sub Committee

- Created this Sub Committee of the board to focus on growth and opportunity. Development instrumental in the growth demonstrated within the Communities and Environment teams during the year.

GROUNDWORK FIVE COUNTIES
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Financial review

a. Financial

As is apparent from the accounts, the year ended 31 March 2024 was a very difficult one. Going into the year with the loss of two major contracts which had previously brought in £2.7m or 88% of the organisation's income this was always going to be a challenge but there was a clear plan to:

- diversify revenues streams to reduce the Trust's dependency on major grants and create unrestricted funds that can be used as matched funding for future projects;
- set a target to deliver activity to the value of approximately £3.0 million, maximising the charitable impact of the organisation;
- contain any deficit to around £50k before any additional pension costs arising from the defined benefit pension scheme's next actuarial valuation;
- continue to identify ways to reduce our cost base while maintaining or improving the quality of our activities.

Whilst a number of potential funding opportunities were identified, these were not secured at the levels required and as the year progressed it became apparent that confirmed funding opportunities were unlikely to reach the £3m level in the medium term.

It was decided at the end of the year that resources would need to be significantly reduced to create a smaller and sustainable organisation. A major restructure was completed in May 2024 which will see the organisation returning to surplus generation in quarter three of the financial year ending 31 March 2025.

b. 2024 performance

Net expenditure before actuarial gains on the Trust's pensions schemes of £589,061 was considerably above the level of the previous year (£108,957).

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.

c. Income

Income reduced from £4.6m last year to £1.4m.

The Trust's biggest funders in 2023 were the National Lottery with £2.4m of income for the Building Better Opportunities programme and £1.6m of income from the UK government's Community Renewal Fund delivered through both Nottingham City Council and Nottinghamshire County Council. On completion of these two major projects there was just £0.3m of residual income received this year on these projects. Whilst income from other sources doubled from £0.6m in 2023 to £1.2m in 2024 this was some short of the target levels set.

d. Expenditure

Expenditure in 2024 decreased to £2.0m from £4.7m in 2023.

Within this, £0.7m (44%), (2023 £3.1m (65%)) was the direct cost of delivering the projects. The other major cost was our staff team which decreased from £1.4m (30% of total spend in 2023) to £1.2m (60%).

The staff team was reduced to levels required to deliver the new strategy, but with the growth levels not achieved this level of resource was not sustainable going forward and has been reduced further in the latest restructure.

GROUNDWORK FIVE COUNTIES
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

e. Liquidity

Cash at bank and in hand at the end of the year was £94,441 providing a small buffer whilst the latest restructure takes effect.

f. Going concern

The Trustees have reviewed a forecast for a period of twelve months from the date of approval of these financial statements and believe that it is appropriate for the Company's financial statements to be prepared on a going concern basis.

However, the Trustees also recognise that following this year's performance existing cash reserves have reduced significantly.

The forecast produced for the next twelve months shows that profitability and cash levels will reach a sustainable level. However, whilst the restructure has significantly reduced the overall cost base, the loss of the National Lottery 'Building Better Opportunities' funding has created a need to find alternative sources of income and we must recognise that as the forecasts still require some growth over this year's achieved income levels, there is a material uncertainty that if this growth is not delivered any remaining cash reserves could be exhausted. Please refer to the Trustees report for further detail and context.

The Trustees continue to ensure that projected cashflows are monitored based on confirmed income on a weekly basis and, working closely with Groundwork UK, 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.

g. Reserves policy

Historically the Trust's agreed Reserves Policy has been 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. Additionally 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.

Last year the Board noted that in setting out to deliver its new strategy 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.

This remains the position for the financial year ended 31 March 2025, with reserve levels forecast to increase across the year but still below the previously agreed targets.

GROUNDWORK FIVE COUNTIES
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management

a. Constitution

Groundwork Five Counties 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.

The Trustees may at any time appoint any individual who is eligible as a Trustee by a resolution passed at a properly convened meeting of the Trustees. Trustees other than the Groundwork UK Trustee shall hold office for such terms determined by the Trustees provided that no Trustee shall serve longer than three terms of three years (in exceptional cases).

The Board continues to move to a more representative structure on a skills basis and representative of the much larger new geographical coverage of the organisation. Further trustee recruitment is planned for 2024/2025.

The Groundwork UK Trustee shall be an individual nominated by Groundwork UK. The Groundwork UK Trustee shall hold office for such terms determined by Groundwork UK provided that no Groundwork UK Trustee shall serve longer than three terms of three years (in exceptional cases).

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.

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. The Committee is supported by the appointed Finance Advisor.

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. This Sub-committee, following a short pause, is to be reconvened with the increase in new Trustees in 2024/2025.

Development Committee – started in September 2023 to ensure a joined up and collaborative approach to new developments, marketing and fundraising strategy between the Board and Senior Management Team, and to monitor compliance and risk within. This committee replaced the previous Compliance Committee whose responsibilities were dispersed amongst the remaining sub-committees.

GROUNDWORK FIVE COUNTIES
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management (continued)

c. Chief Executive Officer

The Chief Executive Officer/Executive Director is responsible for the day-to-day management of the Trust's affairs and for implementing the policies agreed by the Board of Directors. The 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 left it vulnerable as we moved into 2023/2024. 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 former 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.

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 based on 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 our Behaviours Framework provides a vehicle for ensuring that diversity is valued by all staff. The Trust is committed to ensuring that both equal opportunity and diversity agendas are reflected in all its activities.

**GROUNDWORK FIVE COUNTIES
(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

Structure, governance and management (continued)

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 The Groundwork Federation.

Historically the organisation has been part of the Local Government Pension Scheme (LGPS), administered by Nottinghamshire County Council, which is a defined benefit pension scheme. During the year the last contributing employee left the organisation, this employee-cessation event will result in an amortisation of future liabilities.

The Charity is in dialogue with Nottinghamshire County Council to establish the final liability figure. An in-principle agreement has been made for a Deferred Debt, and whilst we still await final figures on the overall liability we are confident that there will be no short term request to recover the full liability.

The auditor's report notes that in the absence of a final figure or accurate estimate from the Council, an amount cannot be shown on the balance sheet but will appear as a Contingent Liability.

GROUNDWORK FIVE COUNTIES
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management (continued)

g. Advisers to the board (as at 31 March 2024)

Executive Officers:

Interim Chief Executive Officer
Head of Communities and Impact
Head of Environment
Head of Development
Head of Operations
(External) Financial Adviser

Gareth James (until February 2024)
Penny Halewood
Jo Phelan
Darryl Plummer
Adam West
William Howarth

Chartered Accountants

UHY Hacker Young LLP
14 Park Row
Nottingham
NG1 6GR

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

PIB Risk Management.
Rossington Business Park
West Carr Road
Nottinghamshire
DN22 7SW

Employment Lawyer

Gunnercooke LLP
1 Cornhill
London
EC3V 3ND

Bankers

National Westminster
Nottingham Smiths Branch
16 S Parade
Nottingham
NG1 2JX

Lloyds TSB
12-16 Parliament Street
Nottingham
NG1 3DA

GROUNDWORK FIVE COUNTIES
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Plans for future periods

Looking ahead to the future 2023 - 2025 and beyond

April 2024 saw the swift implementation of our restructure with this process complete and a new leadership and organisational structure in place from the end of that month. We now have an operating model and financial plan aligned to our reduced turnover target of £1.265m for 2024/2025. A Business Plan is in place, with recovery and growth at its core.

Recovery and growth business plan priorities

- **New Leadership:** Appointing a new Executive Director from April 2024 with support from Groundwork UK and a solid financial plan for a successful 2024/25.
- **Staff Focus:** Prioritising staff morale and security post-restructure through improved communication and engagement.
- **Financial Stabilisation:** Prioritizing the stabilisation of the organisation and rebuilding reserves to ensure security for staff and beneficiaries following financial challenges in 2023/24.
- **Expanding successful services:** Securing funding to enhance and expand the Green Doctor service across new regions.
- **Geographic Expansion:** Targeting growth into new areas while evolving the Green Doctor and commercial offerings, including the Damp and Disrepair service.
- **Efficiency First:** Focusing on optimising current income and delivery models before expanding the staff team.
- **Green Community Hub:** Launching a community garden project at Worksop Cheapside, aimed at hosting volunteer days, family engagement and educational events.
- **Corporate Engagement:** Expanding partnerships with local businesses to grow our corporate volunteering program and build a supporter base for additional income.
- **Enhanced Marketing:** Improved marketing strategy and presence, focusing on showcasing our impact.
- **Collaborative Advocacy:** Working with Groundwork UK's Policy and Public Affairs team to engage with the East Midlands Combined County Authority and adapt to changes after the general election.
- **Income Diversification:** Driving efforts to diversify income and create flexible funds for delivery and recovery, while testing new products and services.
- **Strategic Program Development:** Managing programmes that align with our objectives: enhancing lives and communities, protecting green spaces, and creating pathways to green jobs and volunteering.
- **Public Affairs Focus:** Prioritizing public affairs to enhance visibility and credibility with public sector stakeholders.
- **Impact Sharing:** Strengthening impact sharing and learning to improve local delivery.
- **Diversity and Growth:** Building an effective, diverse organisation that reflects our communities and supports career development.

GROUNDWORK FIVE COUNTIES
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Acknowledgements

We are indebted to the following trusts, foundations and donors for their invaluable help in providing funds to support our charitable work this year:

Amber Valley Borough Council
Bassetlaw District Council
Bolsover CVS
Boots Charitable Trust
British Gas Warmer Homes
Broxtowe Borough Council
Cadent Foundation
Cemex
Central Government via Inspire Culture
Charities Aid Foundation - Warburtons
Comic Relief
Community Vaccine Champions Fund
Department for Levelling Up, Housing and Communities.
Education and Skills Funding Agency – Community and Family Learning - Nottingham City Council
Energy Industry Voluntary Redress Scheme
Enterprise Car Rental
Football Foundation via Active Partnerships Trust
Groundwork East
Groundwork UK
Independence At Home
Jones 1986 Charitable Trust
Lady Hind Trust
National Energy Action
Centre for Sustainable Energy - National Grid (Community Matters Fund- Fuel Poverty and Energy Affordability Fund)
National Lottery Community Fund
European Social Fund
National Lottery Heritage Trust via Groundwork UK
Nottingham City Council
Nottingham College
R Nuttall
Ridge Clean Energy Ltd
RS Logistics
Rushcliffe Borough Council
Save our Wild Isles
SEGRO
Shakespeare Martineau
Tesco Stronger Starts
The Gray Trust
The National Forest Company
The Warburtons Foundation
Thomas Farr Charity via Nottinghamshire Community Foundation
UK Shared Prosperity Fund

GROUNDWORK FIVE COUNTIES
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

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

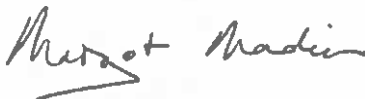
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- 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:



Ms M J Madin

Chair

Date: 20 November 2024

GROUNDWORK FIVE COUNTIES
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GROUNDWORK FIVE COUNTIES

Opinion

We have audited the financial statements of Groundwork Five Counties (the 'charitable company') for the year ended 31 March 2024 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 2024 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 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
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GROUNDWORK FIVE COUNTIES
(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
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GROUNDWORK FIVE COUNTIES
(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:

Based on our understanding of the company and industry, we identify the key laws and regulations affecting the company. 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
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GROUNDWORK FIVE COUNTIES
(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

27 November 2024

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

GROUNDWORK FIVE COUNTIES
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Charitable activities	4	1,386,668	-	1,386,668	4,604,031
Other trading activities	5	-	7,664	7,664	13,770
Investments	6	-	5,808	5,808	1,523
Total income		<u>1,386,668</u>	<u>13,472</u>	<u>1,400,140</u>	<u>4,619,324</u>
Expenditure on:					
Raising funds		5,119	-	5,119	13,039
Charitable activities		1,984,082	-	1,984,082	4,715,242
Total expenditure		<u>1,989,201</u>	<u>-</u>	<u>1,989,201</u>	<u>4,728,281</u>
Net (expenditure)/income		<u>(602,533)</u>	<u>13,472</u>	<u>(589,061)</u>	<u>(108,957)</u>
Transfers between funds	14	331,564	(331,564)	-	-
Net movement in funds before other recognised gains/(losses)		<u>(270,969)</u>	<u>(318,092)</u>	<u>(589,061)</u>	<u>(108,957)</u>
Other recognised gains/(losses):					
Actuarial gains on defined benefit pension schemes	21	138,000	-	138,000	852,000
Net movement in funds		<u>(132,969)</u>	<u>(318,092)</u>	<u>(451,061)</u>	<u>743,043</u>
Reconciliation of funds:					
Total funds brought forward		(40,843)	473,968	433,125	(309,918)
Net movement in funds		(132,969)	(318,092)	(451,061)	743,043
Total funds carried forward		<u>(173,812)</u>	<u>155,876</u>	<u>(17,936)</u>	<u>433,125</u>

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
(A company limited by guarantee)
REGISTERED NUMBER: 02556957

BALANCE SHEET
AS AT 31 MARCH 2024

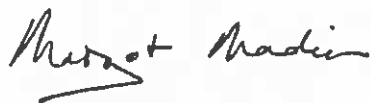
	Note		2024 £	2023 £
Fixed assets				
Tangible assets	11		17,840	20,212
Current assets				
Debtors	12	209,643	370,742	
Cash at bank and in hand		94,441	513,567	
		304,084	884,309	
Creditors: amounts falling due within one year	13	(339,860)	(339,396)	
Net current liabilities / assets			(35,776)	544,913
Total assets less current liabilities			(17,936)	565,125
Net liabilities / assets excluding pension asset / liability			(17,936)	565,125
Defined benefit pension scheme asset / liability	21		-	(132,000)
Total net assets			(17,936)	433,125
Charity funds				
Restricted funds	14		(173,812)	(40,843)
Unrestricted funds	14		155,876	473,968
Total funds			(17,936)	433,125

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:



.....
Ms M J Madin
 Chair

Date: 20 November 2024

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

GROUNDWORK FIVE COUNTIES
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	2024	2023
	£	£
Cash flows from operating activities		
Net cash used in operating activities (note 17)	(416,112)	(342,837)
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	5,808	1,523
Purchase of tangible fixed assets	(8,822)	(813)
	<hr/>	<hr/>
Net cash (used in)/provided by investing activities	(3,014)	710
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	(419,126)	(342,127)
Cash and cash equivalents at the beginning of the year	513,567	855,694
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year (note 18)	94,441	513,567
	<hr/> <hr/>	<hr/> <hr/>

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

GROUNDWORK FIVE COUNTIES
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

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.

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 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 approval of these financial statements and believe that it is appropriate for the Company's financial statements to be prepared on a going concern basis.

However, the Trustees also recognise that following this year's performance existing cash reserves have reduced significantly.

The forecast produced for the next twelve months shows that profitability and cash levels will reach a sustainable level. However, whilst the restructure has significantly reduced the overall cost base, the loss of the National Lottery 'Building Better Opportunities' funding has created a need to find alternative sources of income and we must recognise that as the forecasts still require some growth over this year's achieved income levels, there is a material uncertainty that if this growth is not delivered any remaining cash reserves could be exhausted. Please refer to the Trustees report for further detail and context.

The Trustees continue to ensure that projected cashflows are monitored based on confirmed income on a weekly basis and, working closely with Groundwork UK, 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
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

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
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.9 Liabilities and provisions

Liabilities 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
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

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 accounting policy above and Note 20.

4. Income from charitable activities

	Restricted funds 2024 £	Total funds 2024 £
National Lottery	299,814	299,814
Central & Local Government	567,300	567,300
Voluntary Sector	51,400	51,400
Private Sector	434,289	434,289
Other Income	33,865	33,865
Total 2024	1,386,668	1,386,668

GROUNDWORK FIVE COUNTIES
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

4. Income from charitable activities (continued)

	<i>Restricted funds 2023 £</i>	<i>Total funds 2023 £</i>
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
<i>Total 2023</i>	<i>4,604,031</i>	<i>4,604,031</i>

5. Income from other trading activities

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

	Unrestricted funds 2024 £	Total funds 2024 £
Other	7,664	7,664
	7,664	7,664

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Other	13,770	13,770
	13,770	13,770

GROUNDWORK FIVE COUNTIES
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

6. Investment income

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

	Unrestricted funds 2024 £	Total funds 2024 £
Interest recieved	5,808	5,808
	<u>5,808</u>	<u>5,808</u>
	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Interest recieved	1,523	1,523
	<u>1,523</u>	<u>1,523</u>

GROUNDWORK FIVE COUNTIES
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

	7. Total resources expended									
	Fundraising	People	Places	Support costs	Governance	Total	2023			
	£	£	£	£	£	£	£	£	£	
Cost directly allocated to activities										
Salaries	15,562	460,864	192,027	522,112	15,562	1,206,127	1,452,055			
Works and incidental costs	-	393,030	139,568	-	-	532,598	3,077,394			
Travel and motor expenses	-	-	-	-	-	-	-		13,123	
Professional Fees	-	-	-	33,881	37,990	71,871	28,594		112	
Other direct costs	-	-	-	-	-	-	-		-	
Other costs allocated to activities										
Office costs	838	10,055	4,190	10,893	838	26,814	9,871			
Insurance	415	4,975	2,073	5,390	415	13,267	16,186			
Depreciation	350	4,198	1,749	4,548	350	11,194	10,075			
Printing, postage and stationary	43	512	213	554	43	1,364	1,942			
Training	(26)	(314)	(131)	(340)	(26)	(837)	13,398			
Travel	641	7,694	3,206	8,335	641	20,518	5,345			
IT costs	940	11,280	4,700	12,220	940	30,080	29,952			
Bank charges	128	1,536	640	1,664	128	4,097	871			
Unrecoverable VAT	634	7,602	3,168	8,236	634	20,272	22,604			
Sundry expenses	1,156	13,876	5,782	15,032	1,156	37,002	46,759			
Allocation of Governance Costs	20,680	915,308	357,184	622,525	58,670	1,974,367	4,728,281			
Allocation of Support Costs	1,833	49,503	7,334	-	(58,670)	-	-			
	19,454	525,255	77,816	(622,525)	-	-	-			
	41,967	1,490,066	442,334	-	-	1,974,367	4,728,281			

Other costs allocated to activities are allocated on the basis of average headcount. Support costs of £622,525 relate to restricted funds (2023: £63,848, all restricted funds).

GROUNDWORK FIVE COUNTIES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

8. Auditors' remuneration

	2024	2023
	£	£
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	10,600	7,107
	<u>10,600</u>	<u>7,107</u>

9. Staff costs

	2024	2023
	£	£
Wages and salaries	1,058,514	1,225,182
Social security costs	99,351	114,232
Contribution to defined contribution pension schemes	54,263	103,965
	<u>1,212,128</u>	<u>1,443,379</u>

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

	2024	2023
	No.	No.
People	12	27
Places	5	4
Generating Funds	1	1
Support and governance	14	4
	<u>32</u>	<u>36</u>

In 2024 no employee received remuneration amounting to more than £60,000 per annum (2023: Nil).

Key management personnel were paid a total of £291,872 (2023: £216,920).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 March 2024, expenses totalling £NIL were reimbursed or paid directly to Trustee (2023 - £112 to Trustees).

GROUNDWORK FIVE COUNTIES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

11. Tangible fixed assets

	Motor vehicles £	Office equipment £	Total £
Cost or valuation			
At 1 April 2023	31,950	32,767	64,717
Additions	8,750	72	8,822
At 31 March 2024	40,700	32,839	73,539
Depreciation			
At 1 April 2023	17,987	26,518	44,505
Charge for the year	6,903	4,291	11,194
At 31 March 2024	24,890	30,809	55,699
Net book value			
At 31 March 2024	15,810	2,030	17,840
At 31 March 2023	13,963	6,249	20,212

12. Debtors

	2024 £	2023 £
Due within one year		
Trade debtors	107,493	214,746
Amounts owed by Groundwork UK	-	26,194
Other debtors	16,163	-
Prepayments and accrued income	85,987	129,802
	209,643	370,742
	209,643	370,742

GROUNDWORK FIVE COUNTIES
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

13. Creditors: Amounts falling due within one year

	2024	2023
	£	£
Trade creditors	69,449	126,220
Other taxation and social security	45,065	48,134
Other creditors	33,270	10,973
Accruals and deferred income	192,076	154,069
	339,860	339,396
	339,860	339,396
	2024	2023
	£	£
Deferred income at 1 April 2023	140,099	441,683
Resources deferred during the year	105,569	140,099
Amounts released from previous periods	(140,099)	(441,683)
	105,569	140,099
	105,569	140,099

GROUNDWORK FIVE COUNTIES
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

14. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Unrestricted funds						
General Funds	473,968	13,472	-	(331,564)	-	155,876
Restricted funds						
Restricted Funds	91,157	1,386,668	(1,983,201)	331,564	-	(173,812)
Pension reserve	(132,000)	-	(6,000)	-	138,000	-
	<u>(40,843)</u>	<u>1,386,668</u>	<u>(1,989,201)</u>	<u>331,564</u>	<u>138,000</u>	<u>(173,812)</u>
Total of funds	<u><u>433,125</u></u>	<u><u>1,400,140</u></u>	<u><u>(1,989,201)</u></u>	<u><u>-</u></u>	<u><u>138,000</u></u>	<u><u>(17,936)</u></u>

GROUNDWORK FIVE COUNTIES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

14. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2023 £</i>
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)
	<u>(768,593)</u>	<u>4,604,031</u>	<u>(4,728,281)</u>	<u>852,000</u>	<u>(40,843)</u>
Total of funds	<u><u>(309,918)</u></u>	<u><u>4,619,324</u></u>	<u><u>(4,728,281)</u></u>	<u><u>852,000</u></u>	<u><u>433,125</u></u>

15. Summary of funds

Summary of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
General funds	473,968	13,472	-	(331,564)	-	155,876
Restricted funds	(40,843)	1,386,668	(1,989,201)	331,564	138,000	(173,812)
	<u>433,125</u>	<u>1,400,140</u>	<u>(1,989,201)</u>	<u>-</u>	<u>138,000</u>	<u>(17,936)</u>

Summary of funds - prior year

	<i>Balance at 1 April 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2023 £</i>
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
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

16. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	17,840	17,840
Current assets	157,215	146,869	304,084
Creditors due within one year	(331,027)	(8,833)	(339,860)
Total	(173,812)	155,876	(17,936)

Analysis of net assets between funds - prior period

	<i>Restricted funds 2023 £</i>	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
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

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

	2024 £	2023 £
Net expenditure for the period (as per Statement of Financial Activities)	(589,061)	(108,957)
Adjustments for:		
Gain on pension scheme	53,000	852,000
Depreciation charges	11,194	10,074
Dividends, interests and rents from investments	(5,808)	(1,523)
Non-cash pension changes	(47,000)	(908,362)
Decrease/(increase) in debtors	161,099	(59,302)
Increase/(decrease) in creditors	464	(126,767)
Net cash used in operating activities	(416,112)	(342,837)

GROUNDWORK FIVE COUNTIES
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

18. Analysis of cash and cash equivalents

	2024	2023
	£	£
Cash in hand	94,441	513,567
	<u>94,441</u>	<u>513,567</u>

19. Analysis of changes in net debt

	At 1 April 2023	Cash flows	At 31 March 2024
	£	£	£
Cash at bank and in hand	513,567	(419,126)	94,441
	<u>513,567</u>	<u>(419,126)</u>	<u>94,441</u>

20. Contingent liabilities

The entity is an employer within the Local Government Pension Scheme. The opening actuarial balance of £132,000 has been removed from the balance sheet as this is no longer an ongoing obligation of the entity. In December 2023, the last pension fund contributor left the scheme invoking an employer-cessation event. Management are currently in negotiations with the Local Government Pension Scheme Administering Authority to determine the value and appropriate settlement terms for the cessation liability that is now due. This liability does not meet the third condition set out within 21.4 of FRS 102 with regards to recognition of provisions, as a reliable estimate cannot be made of the amount to be paid. It has been determined by the Administering Authority that the cessation liability will be in the range of £168,000-£829,000 with no agreed amount as at the balance sheet date.

GROUNDWORK FIVE COUNTIES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

21. Pension commitments

The Charity operates a defined benefit pension scheme.

As per note 20, in December 2023, the last pension fund contributor left the scheme invoking an employer-cessation event. Management are currently in negotiations with the Local Government Pension Scheme Administering Authority to determine the value and appropriate settlement terms for the cessation liability that is now due. The following sets out the position as at 31 March 2024, the year in which the de-recognition of the liability occurred.

The Groundwork Federation Scheme is a money purchase scheme; its assets are held in a separately administered fund. Contributions were made by employees at a minimum rate of 3% of salary, Employer contributions were made at the rate of 3% where an employee contributes up to 4.5% of their salary (2023: up to 4.5%). Where an employee contributes at least 4.5% of their salary, the employer contribution was 5% of salary (2023: 5%). At 31 March 2024 £Nil (2023: £9,655) was outstanding in relation to these transactions and the charge for the year was £5,547 (2023: £64,965).

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 benefit 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 were made by employees at the rate of between 5% and 12.5% of salary. Employer contributions were made at the rate of 20.2% of salary (2023: 20.2%).

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

	At 31 March 2024 %	At 31 March 2023 %
Discount rate	-	4.80
Future salary increases	-	3.90
Future pension increases	-	2.90
CPI Increases	-	2.90

GROUNDWORK FIVE COUNTIES
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

21. Pension commitments (continued)

	At 31 March 2024 Years	At 31 March 2023 Years
Mortality rates (in years)		
- for a male aged 65 now	-	20.7
- at 65 for a male aged 45 now	-	22.0
- for a female aged 65 now	-	23.5
- at 65 for a female aged 45 now	-	25.0

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

	At 31 March 2024 £	At 31 March 2023 £
Equities	-	887,000
Gilts	-	32,000
Corporate bonds	-	90,000
Property	-	181,000
Cash and other liquid assets	-	80,000
Other	-	254,000
Total fair value of assets	-	1,524,000

The actual return on scheme assets was £67,000 (2023 - £29,000 loss).

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

	2024 £	2023 £
Current service cost	(8,000)	(34,000)
Net interest on the defined liability (asset)	(5,000)	(25,000)
Administrative expenses	(1,000)	(1,000)
Total amount recognised in the Statement of financial activities	(14,000)	(60,000)

GROUNDWORK FIVE COUNTIES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

21. Pension commitments (continued)

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

	2024	2023
	£	£
Opening defined benefit obligation	1,656,000	2,341,000
Contributions by scheme participants	2,000	5,000
Benefits paid	(134,000)	(33,000)
Change in financial assumptions	(26,000)	(996,000)
Change in demographic assumptions	(20,000)	(125,000)
Actuarial gain	8,000	369,000
Current service cost	8,000	34,000
Interest cost	57,000	61,000
Derecognition of pension liability on cessation	(1,551,000)	-
	<u>-</u>	<u>1,656,000</u>
Closing defined benefit obligation	-	1,656,000

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

	2024	2023
	£	£
Opening fair value of scheme assets	1,524,000	1,396,000
Interest income	52,000	36,000
Expected return on assets	15,000	(65,000)
Contributions by employer	8,000	21,000
Contributions by scheme participants	2,000	5,000
Other actuarial gains	-	165,000
Benefits paid	(134,000)	(33,000)
Admin expenses	(1,000)	(1,000)
Derecognition of pension liability on cessation	(1,466,000)	-
	<u>-</u>	<u>1,524,000</u>
Closing fair value of scheme assets	-	1,524,000

22. Operating lease commitments

At 31 March 2024 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024	2023
	£	£
Not later than 1 year	735	1,365
	<u>735</u>	<u>1,365</u>

GROUNDWORK FIVE COUNTIES
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

23. 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 2024.

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